

**Agrium Conda Phosphate Operations***

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

July 9, 2007

File No. MI-07-015

Ms. Eva Chun
U.S. Environmental Protection Agency
NPDES Compliance Unit
1200 Sixth Avenue, OCE-133
Seattle, Washington 98101



Re: Results of 2007 Water Sampling

Dear Ms. Chun:

Pursuant to Request #4 of the January 24, 2005 Clean Water Act Notice of Violation and Information Request, Nu-West Industries is submitting the enclosed results of the 2007 water sampling work plan to the Environmental Protection Agency and the U.S. Forest Service.

These results are for the West Fork of Sheep Creek and follow the "*Quality Assurance Work Plan*" as submitted in the revised May 11, 2005 work plan.

It should be stated that at no time during 2007 did Nu-West Industries discharge water off lease or past Pond #5 and into the West Fork of Sheep Creek. All water from the on lease seeps was recovered and pumped back into the mine pit for proper containment.

Please do not hesitate to contact Nu-West Industries regarding these results. If you have any questions or comments, please call me at (208) 547-3935 ext 11.

Sincerely

A handwritten signature in black ink that reads "Lin Kramer".

Lin Kramer
Mine Manager
Dry Valley Mine
Agrium CPO

Attachment: Rasmussen Ridge – West Fork of Sheep Creek 2007 Results

Cc: Jack Issacs,
Soda Springs Ranger District, Caribou-Targhee National Forest

RASMUSSEN RIDGE-WEST FORK OF SHEEP CREEK												
2007 Results												
Date	Time	Location	mg/L Cadmium	mg/L Chromium	mg/L Nickel	mg/L Selenium	mg/L Vanadium	mg/L Zinc	Flow	Sampler	Observations	Weather
4/10/2007	9:00	Pre Agrium	0.0002	<0.0001	0.0048	0.288	0.0004	0.015	100 gpm	R.Squires	Discharge	Clear
4/10/2007	9:30	Pond #5	0.0009	0.0001	0.0139	0.73	0.0006	0.034	None	R.Squires	In pond sample	Clear
4/20/2007	10:00	Pre Agrium	0.0001	<0.0001	0.0051	0.332	0.0005	0.005	100 gpm	J.Skinner	Discharge	Cloudy
4/20/2007	10:30	Pond #5	0.0009	0.0005	0.0112	1.17	0.0011	0.033	None	J.Skinner	In pond sample	Cloudy
5/2/2007	9:00	Pre Agrium	0.0002	<0.0001	0.0054	0.358	0.0013	0.01	25 gpm	J.Skinner	Discharge	Cloudy
5/2/2007	9:15	Pond #5	0.0007	<0.0001	0.0129	0.505	0.0008	0.021	None	J.Skinner	In pond sample	Cloudy
5/2/2007	9:30	Seep #1	0.027	<0.0001	0.971	0.198	<0.0002	2.14	3 gpm	J.Skinner	Discharge	Cloudy
5/2/2007	10:00	Seep #2	0.0009	<0.0001	0.0329	0.329	0.0009	0.052	2 gpm	J.Skinner	Discharge	Cloudy
5/11/2007	1:30	Pre Agrium	0.0002	<0.0001	0.0057	0.359	0.0014	0.006	15 gpm	J.Skinner	Discharge	Clear
5/11/2007	2:00	Pond #5	0.0006	0.0002	0.0146	0.483	0.0008	0.016	None	J.Skinner	In pond sample	Clear
Runoff ceased by 5/20/2007												
Selenium is expressed as total selenium values												
All other metals are expressed as dissolved values												

All other metals are expressed as dissolved values



Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
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July 20, 2006

File No. MI-06-028

Ms. Eva Chun
U.S. Environmental Protection Agency
NPDES Compliance Unit
1200 Sixth Avenue, OCE-133
Seattle, Washington 98101



Re: Results of 2006 Water Sampling

Dear Ms. Chun:

Pursuant to Request #4 of the January 24, 2005 Clean Water Act Notice of Violation and Information Request, Nu-West Industries is submitting the enclosed results of the 2006 water sampling work plan to the Environmental Protection Agency and the U.S. Forest Service.

These results are for the West Fork of Sheep Creek and follow the "*Quality Assurance Work Plan*" as submitted in the revised May 11, 2005 work plan.

Please do not hesitate to contact Nu-West Industries regarding these results. If you have any questions or comments, please call me at (208) 547-3935 ext 17.

Sincerely

A handwritten signature in blue ink, appearing to read "Daniel S. Kline", written over a horizontal line.

Daniel S. Kline
Mine Manager, Dry Valley Mine

Attachment: Rasmussen Ridge – West Fork of Sheep Creek 2006 Results

Cc: Jeff Jones, Acting District Ranger
Soda Springs Ranger District, Caribou-Targhee National Forest

[illegible]

Run off ceased by 6/1/2006

Selenium values are total selenium

All other metals are dissolved



Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
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April 2, 2007

File No. MI-07-004

Kimberly Ogle
NPDES Compliance Unit
United States Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington 98101



Re: Nu-West Industries, Inc. Work Plan for the
West Fork of Sheep Creek Drainage – Revisions

Dear Ms. Ogle:

Please find attached revisions to the May 11, 2005 *Quality Assurance Work Plan for the West Fork of Sheep Creek Drainage*. In order to improve the water quality of the West Fork drainage of Sheep Creek, Nu-West, in coordination and consultation with the Forest Service and Idaho Department of Environmental Quality, designed some revisions that should improve overall water quality.

During the fall and winter of 2006, an additional Storm Water Retention Pond (SWRP) was constructed 400 feet down drainage of the present SWRP #4. It is on the lease boundary but within the Nu-West lease. On the attached map, it is identified as SWRP #5. The pond was constructed for additional water storage and was also built with a synthetic liner to prevent any infiltration through the dam face. The dam was compacted with a self-propelled sheepsfoot with compaction tests performed by a 3rd party engineer. Nu-West will pump out of this pond rather than SWRP #4 as we have in previous years. There will also be two (2) 30 hp electric pumps placed in this pond and will be pumped to SWRP #2. In SWRP #2, there are two (2) 60 hp electric pumps to pump the runoff water into the mined out pit in Central Rasmussen.

These afore mentioned revisions are incorporated into the attached *Quality Assurance Work Plan for the West Fork of Sheep Creek*. The only change from the May 11, 2005 plan would be to collect an in-pond sample from the new pond #5 rather than pond #4.

Please do not hesitate to contact Nu-West Industries, Inc. regarding these comments and changes. If you have any questions or recommendations, please call me at (208) 547-3935 ext 19.

* A Registered Name of Nu-West Industries, Inc.

1.0 PROJECT DESCRIPTION

1.1 Objectives of the Quality Assurance Work Plan

The objective of this Quality Assurance Work Plan (QAWP) is to define procedures that will ensure the quality and integrity of the samples, accuracy and precision of the analyses, representativeness of the results, and completeness of the information obtained from the drainage in the West Fork of Sheep Creek. The information obtained during this site investigation will enable the project members to evaluate the effectiveness of the storm water mitigation measures used in the West Fork drainage. Descriptions of all data objectives and procedures associated with sample collection (sample locations and sample frequency), laboratory analysis procedures, contaminants to be tested, sample custody and shipping, and data quality assessment applicable to this project are presented in this document. For the sake of clarity, a note here is needed on the nomenclature of the drainage of concern, namely West Fork of Sheep Creek. There is another West Fork of Sheep Creek located approximately two miles to the north of the drainage in question. This West Fork drainage is presently in an un-mined area with no disturbance. In the past, Nu-West has been referring to the site investigation drainage as the South Rasmussen Drainage (SRD). For continuity with EPA correspondence, Nu-West will refer to the site investigation drainage as the West Fork of Sheep Creek.

1.2 Objective of the Site Investigation

The overall objective of the Site Investigation is to evaluate the effectiveness of the mitigation strategies used in the West Fork of Sheep Creek at reducing possible discharge of pollutants into Sheep Creek.

1.3 Proposed Site Investigation Activities

The following field activities will be conducted during the Site Investigation.

- Survey and location of springs, seeps and storm water retention ponds
- Water quality testing of springs, seeps and storm water retention ponds
- Measure the flow rate from springs, seeps and storm water retention ponds

2.0 PROJECT ORGANIZATION AND RESPONSIBILITIES

2.1 Project Team Organization

The project team will consist of the Project Manager, and the Project Quality Assurance Specialists. Both the manager and the specialist will be responsible for completion of the field activities and communications with the laboratory.

2.1 Project Management Responsibilities

2.2.1 Project Manager - Rob Squires

2.2.2 Project Quality Assurance Specialist - Justin Skinner

2.2 Analytical Laboratory: ACZ Labs, Steamboat Springs, Colorado

ACZ Labs will perform all the analytical lab work as required by this Site Investigation. A Statement of Qualifications presented by the lab presents the internal procedures used in the Quality Assurance Plan, dated 3/1/2005. The Quality Assurance Plan has been developed with attention given to the regulatory requirements of the EPA and provides guidelines to ensure that AZC employees work to produce analytical data that is legally defensible, accurate, and impartial.

3.0 QUALITY ASSURANCE OBJECTIVES TO BE EVALUATED

3.1. Introduction

This section presents the data quality objectives for the Site Investigation sampling activities. These objectives are quantitative and qualitative statements, which specify the quality of data required to support the objectives of the Site Investigation. Indicators of data quality include precision, accuracy, representativeness, comparability, and completeness.

3.2 Establishing Data Quality Objectives

The objective for data quality reflects the anticipated uses of the data. The primary uses of the data gathered during the Site Investigation sampling activities are to:

- Evaluate any contaminant level of the surface water in the West Fork of Sheep Creek drainage.
- Evaluate the flow rates of surface waters into Sheep Creek.
- Determine the locations of surface water sources into the West Fork of Sheep Creek.

4.0 SAMPLING PROCEDURES/PLANS

4.1 Scope of Work

The specific work items included in this field sampling plan are:

- Locate and identify all sampling locations
- Collecting surface water samples from pre-determined locations.
- Determine frequency of sampling
- Sample handling and custody
- Determine the contaminants to be tested
- Determine flow data
- Analytical method and lab procedures

4.2 Surface Water Sample Locations

Nu-West proposes to sample at four (4) locations in the West Fork of Sheep Creek. These include two (2) known locations where snow melt percolates out from the toe of the overburden dump and two (2) storm water retention ponds located in the West Fork. Each location will be designated with a specific ID number and will be located with GPS coordinates. It should be noted here that the Monsanto phosphate mine is adjacent to the West Fork of Sheep Creek and could possibly have surface water discharge impacts into the West Fork of Sheep Creek. The two storm water retention pond samples will be labeled as discharge water or in-pond(non discharge) water.

4.3 Surface Water Sample Collection

All the water samples taken will be grab samples. A collection container will be used to directly obtain the water sample. This container will be pre-rinsed with the water at the location so that there will be no cross contamination from previous sampling locations. The collection container will be used to transfer the water sample to a pre-labeled sample/shipping bottles supplied by the laboratory performing the testing. The sample/shipping bottle will have a preservative placed in the bottle. The labeling on the sample bottles will include the ID number, date of collection, time of collection. A logbook will be kept to record this information and other information such as weather conditions, name of sampler or other pertinent data and observations. Duplicate water samples will be collected for QA/QC. The duplicates will be preserved, handled, and transported in an identical manner as the actual water samples.

4.4 Sampling Frequency/Storm Water Strategy

The starting date to begin sampling will vary according to weather conditions and snow melt. In 2006, the sampling began on April 20th.

Once the sampling at each designated location has begun, a sampling frequency of twice per month will be utilized for the two retention ponds in the West Fork drainage. The locations where water is percolating from the dump toe will be sampled at least once per runoff season. The twice per month sampling will continue until it has been determined that the flow from spring run off has stopped. Nu-West employs a pump back system to prevent any storm water discharging from the site. Our pumps are located in newly constructed Pond #5 and Pond #2, which has a holding capacity large enough to allow Nu-West to start and stop the pumps according to the volume of runoff flow, whether the flow is due to a precipitation event or warm weather. If a discharge ever did occur, Nu-West would measure the flow of water from the overflow pipe and report that volume in our yearly report to the EPA and Forest Service.

4.5 Sample Handling and Custody

After the samples are collected and placed into the labeled bottles, they will be transported to the site office and refrigerated overnight. The samples will be packed in coolers with ice and shipped to the lab the following day. A chain of custody form will accompany the samples. Custody seals will be attached to all shipped coolers.

4.6 Contaminants to be Tested

The contaminants of concern are selenium, cadmium, chromium, nickel, zinc, and vanadium. Hardness will also be sampled. All the metals will be reported as dissolved, except selenium, which will be total recoverable.

4.7 Flow Measurements

Flow measurements will be collected at the same time and at the same locations as the surface water samples. These will be recorded in the field logbook. The method used to measure the flow in the drainage will be the Pashall Flume. The easiest method to measure the water flow from the storm water retention pond overflows is a bucket with a known volume and a stopwatch. Duration of flow will be recorded and documented in the yearly report.

4.8 Analytical Method

Selenium will be analyzed according to the EPA 200.8 ICPMS analytical method. The calibration of laboratory instruments and equipment will be according to the manufacturer's instructions or the laboratories Standard Operating Procedures. The MDL for this method is 1.0 ug/L for selenium.

The laboratory analysts will perform the following:

- Reduction of raw data generated to reportable values
- An initial review of analytical and quality data
- Performance of manual calculations and transfer of data onto forms, laboratory reports, and laboratory databases
- Preparation of computer files for instrumentation calculations
- Generation of data for the analytical reports

- Copying of relevant forms and logs for inclusion in the laboratory reports
- Submittal of the laboratory reports to a supervisor for a QA/QC review

Laboratory data and analytical results of the sampling will be transmitted to Nu-West by electronic mail in addition to a hardcopy.

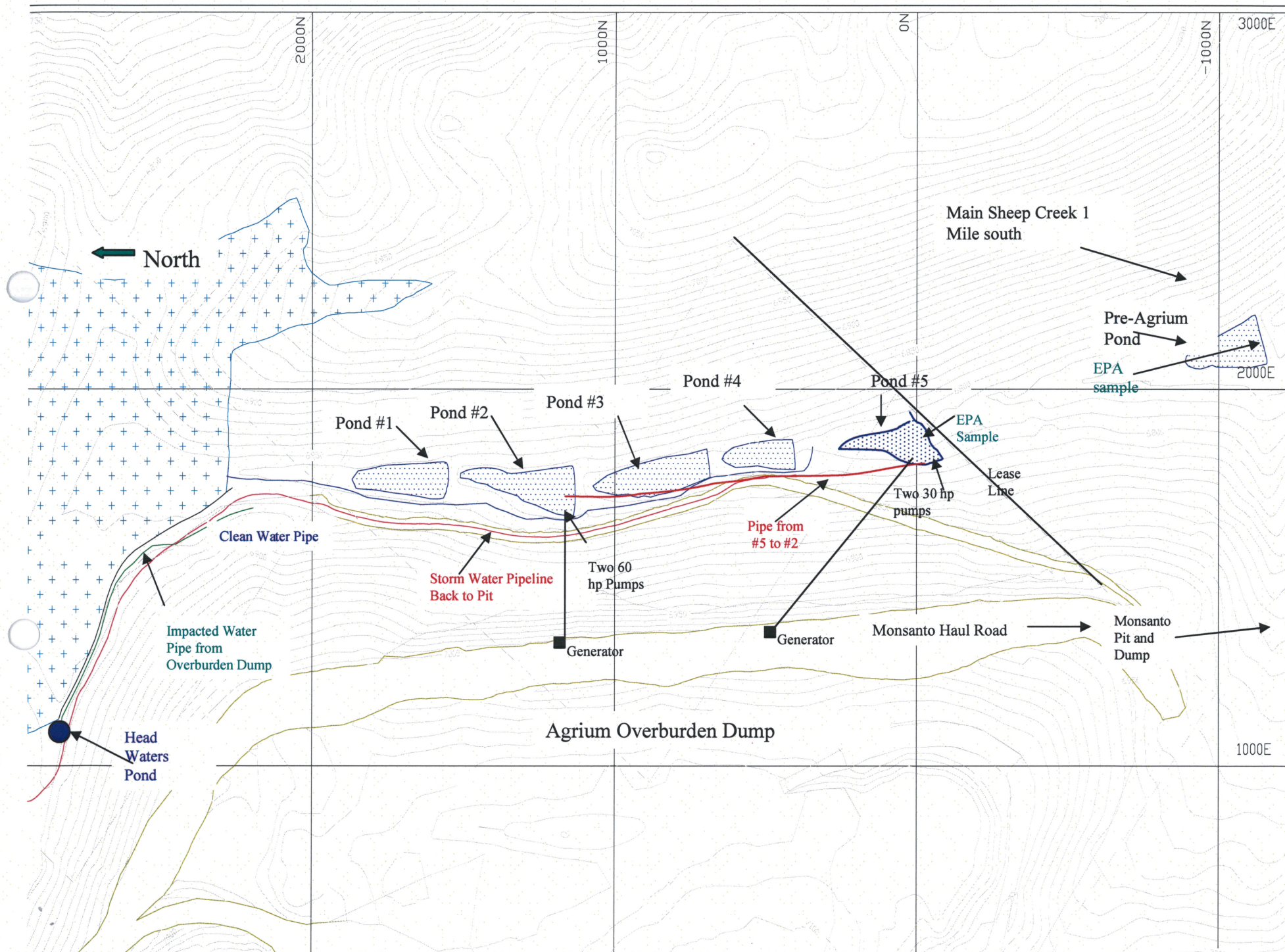
5.0 REPORTING AND PROJECT SCHEDULE

5.1 Reports

Nu-West will supply a report to the EPA and the U.S Forest Service describing the findings of the survey and test results by July 30th of each year. The report will be signed and certified in accordance with the requirements of Part 9.7.4 of the MSGP and submitted to Eva Chun, Compliance Officer, U.S. Environmental Protection Agency, and the District Ranger, U.S. Forest Service, of the local National Forest in Soda Springs.

5.2 Project Schedule

Nu-West will implement the work plan beginning in 2005 and continue through the 2007 spring run off period.





Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

March 6, 2006

File No. MI-06-04

RESPONSE TO NOTICE OF VIOLATION

Ms. Eva Chun
U. S. Environmental Protection Agency
NPDES Compliance Unit
1200 Sixth Avenue (OCE-133)
Seattle, WA. 98101

**Re: Rasmussen Ridge Mine Tracking No. IDR05A382
Response to CWA Notice of Violation**

Dear Ms. Chun:

This letter is submitted in response to the Notice of Violation and related discussion of areas of concerns in EPA's letter dated February 6, 2006, addressed to Mr. Dan Kline, concerning the EPA storm water inspection of the Rasmussen Ridge Mine conducted on April 27-28, 2005.

For ease of reference, I have repeated below in italics EPA's statements of violation and area of concerns (1)-(4), followed by Nu-West's responses.

Notice of Violation 1: Part 3.3 of the MSGP:

According to Part 3.3 of the MSGP, "Your discharges must not be causing or have the reasonable potential to cause or contribute to a violation of a water quality standard." During the time of the inspection, discharges from SWRP #s 6B and 20 were entering No Name Creek and Rasmussen Valley Creek, respectively. Analytical sampling results indicate that discharges from both ponds exceeded acute (5 ug/l) and chronic (20 ug/l) water quality standards for total selenium with SWRP #6B measuring at 47 ug/l and SWRP #20 measuring at 24.2 ug/l. Instream sampling immediately below the discharges from SWRP #s 6B and 20 were measured at 16 ug/l and 23.5 ug/l, respectively. These results indicate that the best management practices ("BMPs") implemented in these areas to prevent or minimize pollutants from entering waters of the U.S. via storm water discharges are inadequate. You must take measures to minimize or eliminate the impacts of these discharges into waters of the U.S. Any updates or changes in your operations or BMPs must then be reflected in your storm water pollution prevention plan ("SWPPP").

Nu-West Response to NOV:

The BMPs for both of these facilities have been expanded or repaired. During the fall of 2005, storm water retention pond #6B was substantially enlarged to increase its holding capacity for storm water run-off. The capacity of pond #6B was increased approximately 50%. The expanded pond created some new disturbed areas including the new pond slopes. These areas were seeded and straw bales were placed at the base of the slope to minimize run-off during storm events.

The April 2005 overflow from pond #20 into Rasmussen Creek was due to a mechanical failure in the pond overflow pipe. The joint connecting the pond overflow pipe to the standpipe developed a leak. This allowed water to flow through the connection joint instead of rising another five feet to the top of the standpipe. As designed, and when operating properly, water would not flow into the overflow pipe unless and until water has risen to the top of the standpipe. As a result, water should not have been flowing into and through the overflow pipe in the conditions present in April 2005. During the summer of 2005, Nu-West placed a rubber gasket material between the connection bands and the pond overflow pipe joint and sealed the gasket with a waterproof silicon caulking. This repair is expected to prevent any further leaking from the connection joint to the overflow pipe to Rasmussen Creek.

EPA Concern No. 1:

Maintenance of SWRP #3. At the time of the inspection, the inspectors observed that the berm material around the outlet culvert from SWRP #3 was eroding. This problem was apparently observed in the previous year. The concern is that this berm could further erode, causing a catastrophic failure that may result in water quality problems in the West Fork of Sheep Creek.

Nu-West Response to Concern No. 1:

In the spring of the previous year, 2004, there was some eroding of material from around the outlet culvert at the top of the dam of Pond #3. In response to that condition, during the summer of 2004, the eroded material was replaced. In the spring of 2005, the material around the outlet culvert eroded again. During the inspection by EPA in the spring of 2005, the inspectors observed the eroded material around the outlet and assumed incorrectly that the eroding problem had not been addressed from the previous year. In the fall of 2005, a more aggressive remedial action was taken to address this condition. The outlet culvert was excavated and bentonite was placed in the bottom of the excavated area and the culvert placed on the bentonite. In addition, bentonite was placed around the outlet culvert in order to create a water-tight seal around the culvert. A layer of compacted dirt was then placed over the bentonite on the top of the dam. This more aggressive repair is expected to alleviate future erosion problems.

EPA Concern No. 2:

Potential discharge from SWRP #4. At the time of the inspection, Nu-West had installed a pumpback system that prevented any discharge from SWRP #4 from entering SWRP #5. When the water in SWRP #4 reaches a certain level, the pumps are activated and the water is pumped to the backfill pit. Although no discharges were observed from SWRP #4 during the inspection, a depression was observed directly below the outfall from SWRP #4 indicating that discharges had occurred in the past. However, your staff indicated that no discharges had occurred from SWRP #4 in the past three or four years. We are concerned about the effectiveness of this system

considering that SWRP #5 or the pre-Agrium pond continues to discharge pollutants at levels of concern. It is likely that contaminated waste water is discharging to the alluvium which is in direct hydrologic connection with the West Fork. It is recommended that inspections of SWRPs be aggressively conducted during known periods of high flows (e.g., spring melt) and rainfall to ensure that no discharges are occurring.

Nu-West Response to Concern No. 2:

Nu-West believes that the pumpback system operating in SWRP #4 has been effective in eliminating any surface water overflow from SWRP #4 since the system has been in place. Nu-West has, however, placed a 10-mil HDPE liner across the dam face of pond #4 and keyed the liner about six feet into the dam base. This liner and measure is designed to eliminate or minimize any hydrologic connection between pond #4 and any downstream areas. The Nu-West staff is unaware of any overflow from Pond #4 within the past 3 or 4 years and believes there has been none. The present inspection plan for these SWRPs is on a twice-daily schedule during high flows. Nu-West considers this to be an aggressive inspection schedule, given the fact that it is an inactive site. Nu-West will continue this inspection schedule to ensure that no discharges are occurring.

EPA Concern No. 3:

Responsibility for SWRP #5 (or Pre-Agrium Pond). Recent attention has been focused on discharges from SWRP #5. In previous years, Nu-West has claimed responsibility for the pond, but they made it clear during this past year's inspection that the pond was built prior to Agrium's (i.e., Nu-West's) involvement in the property. As a result, they have renamed the pond "pre-Agrium pond" and have indicated that they no longer maintain this pond. EPA understands that Nu-West and the U.S. Forest Service are currently negotiating over the terms and agreements for responsibility of SWRP #5. EPA's primary concern remains the on-going discharges to the West Fork of Sheep Creek from the series of ponds in the drainage. As these ponds are constructed in waters of the U.S., they are themselves waters of the U.S.

Nu-West Response to Concern No. 3:

The so-called "pre-Agrium pond" is located on National Forest lands well outside the boundaries of any federal leases or special use permits held by Nu-West. The pond was constructed before Nu-West took over operations at the Rasmussen Ridge Mine, presumably by the prior operator of the mine. Nu-West initially understood that the pond was a BMP for storm water management purposes, based on the misunderstanding that the pond was located within a lease or special use permit boundary which Nu-West held. Since it is now clear that the pond is not within any lease or special use permit, Nu-West has no authority to use, alter or conduct operations in connection with this pond. As a result, Nu-West has removed this pond from its SWPPP and changed the pond designation to the "pre-Agrium" name. There are no negotiations between Nu-West and the U.S. Forest Service over the terms and agreements for responsibilities of this pond, other than negotiations to consensually address historic conditions at this site under a CERCLA Administrative Order. We are informed that internal agency deliberations have delayed that CERCLA negotiation process. Nu-West shares EPA's concern about pollutants potentially discharging into the West Fork of Sheep Creek from this pre-Agrium pond on Forest Service lands, but Nu-West has no knowledge of there being a hydrologic link between the series of four (4) storm water retention ponds managed by Nu-West in this drainage and the West Fork of Sheep Creek. We also are advised that facilities constructed to manage storm water run-off

are not themselves considered "waters of the U.S." under the Clean Water Act. If you believe there is some legal authority to the contrary, please notify us and specifically describe that authority.

EPA Concern No. 4:

Responsibility for Haul Road Runoff. Nu-West's Rasmussen Ridge Mine is adjacent to P4 Production's ("P4") South Rasmussen Mine and both share certain sections of the haul road. Depending on the location of the haul road, drainage from the haul road is either collected by storm water retention ponds managed by either Nu-West or by P4. Because the Rasmussen Ridge Mine is inactive, only P4 currently uses the haul road. It is unclear from conversations with both Nu-West and P4 who is responsible for any discharge problems associated with the haul road. It is recommended that Nu-West and P4 clarify these responsibilities over haul road runoff and make any agreements known to the relevant government agencies.

Nu-West Response to Concern No. 4:

Nu-West agrees with the EPA on the need for clarification on responsibilities associated with storm water run-off on the shared portion of the haul road. To this end, Nu-West is actively working with P4 to reach an agreement on run-off from the haul road and will inform EPA and other government agencies on the outcome.

Nu-West has outlined the steps it has taken in 2005 to come into compliance with the Clean Water Act and to prevent future noncompliance. In addition, Nu-West is submitting an updated copy of the Rasmussen Ridge SWPPP (attached), which will include:

- a. newly incorporated BMP's used to control storm water discharges.
- b. the last five years of comprehensive site compliance evaluations.
- c. the quarterly visual monitoring results.
- d. sampling results of discharges.

Nu-West will continue to monitor and sample the West Fork of Sheep Creek as approved in our work plan for 2005 and the 308 Information Request. If you have any questions or directions regarding this submittal, please contact me at (208) 547-3935 Ext. 17.

Sincerely



Daniel S. Kline
Mine Manager
Dry Valley Mine

cc: Jeff Cundick, BLM
Jeff Jones, USFS
Mary Kauffman, IDEQ
Lynn VanEvery, IDEQ
Chris Morris, IDL



Agrium Conda Phosphate Operations*

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July 20, 2005

File No. MI-05-021

Ms. Eva Chun
U.S. Environmental Protection Agency
NPDES Compliance Unit
1200 Sixth Avenue, OCE-133
Seattle, Washington 98101



Re: Results of 2005 Water Sampling

Dear Ms. Chun:

Pursuant to Request #4 of the January 24, 2005 Clean Water Act Notice of Violation and Information Request, Nu-West Industries is submitting the enclosed results of the 2005 water sampling work plan to the Environmental Protection Agency and the U. S. Forest Service.

These results are for the West Fork of Sheep Creek and follow the " *Quality Assurance Work Plan* " as submitted in the revised May 11, 2005 work plan.

Please do not hesitate to contact Nu-West Industries regarding these results. If you have any questions or comments, please call me at (208) 547-3935 Ext 17.

Sincerely,

A handwritten signature in blue ink, appearing to read "Daniel Kline", with a long horizontal line extending to the right.

Daniel Kline
Mine Manager, Dry Valley Mine

RS: mo

Attachment: 2005 Rasmussen Ridge Water Sample

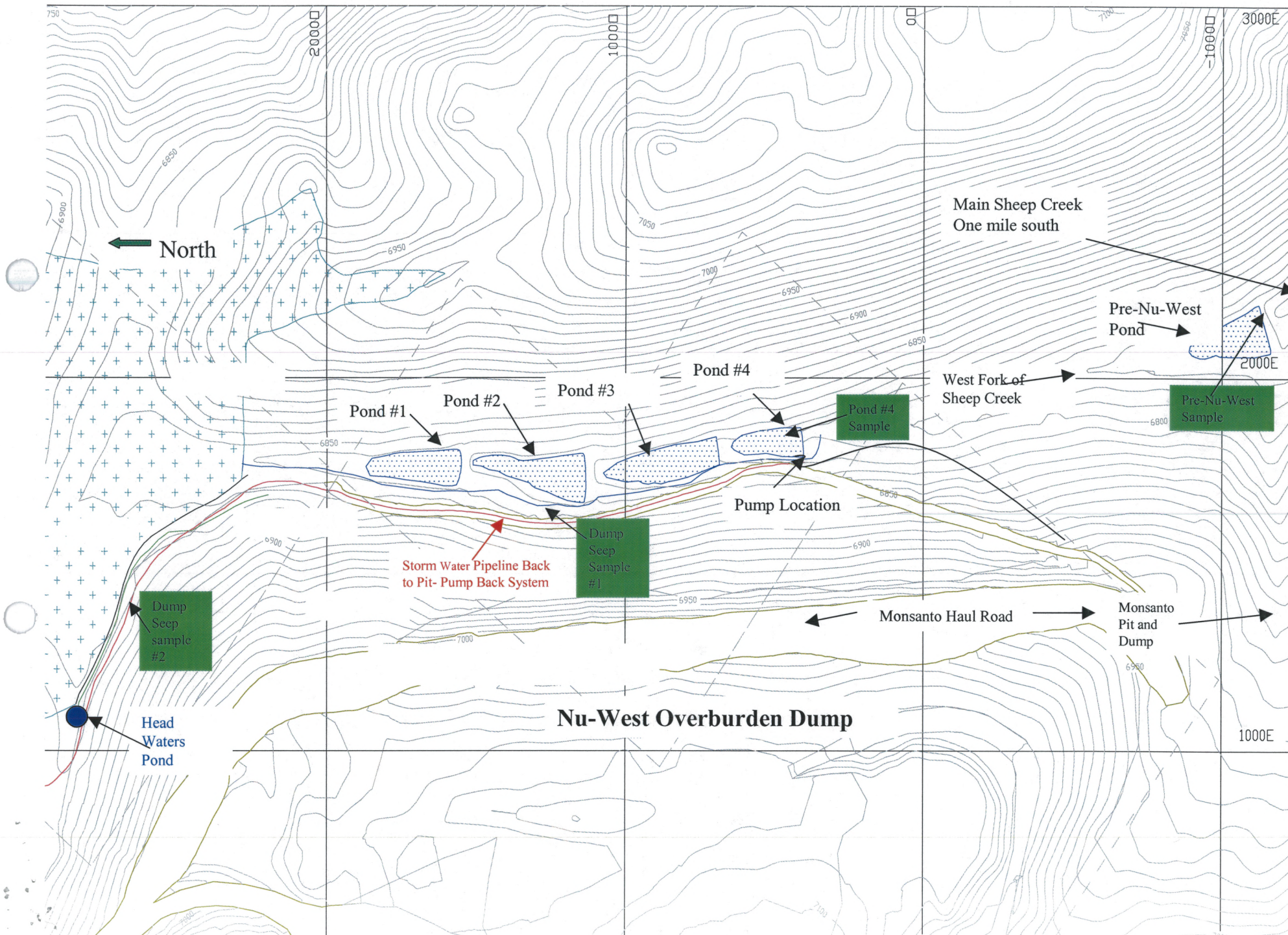
Cc: Dave Whittikiend, District Ranger
Soda Springs Ranger District, Caribou-Targhee National Forest

* A Registered Name of Nu-West Industries, Inc.

Nu-West Industries
Rasmussen Ridge Mine

West Fork of Sheep Creek Drainage
2005 Water Sampling Results

[illegible]





Agrium Conda Phosphate Operations*

3010 Conda Road
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June 1, 2005

File No. MI-05- 014

Kimberly Ogle
NPDES Compliance Unit
United States Environmental Protection Agency
Region 10
1200 Sixth Avenue
Seattle, Washington 98101



Re: Nu-West Industries, Inc. Response to EPA Recommendations
On Work Plan for the West Fork of Sheep Creek Drainage

Dear Ms. Ogle:

Nu-West appreciates EPA's recommendations for the improvements to the West Fork of Sheep Creek Drainage Work Plan at the Rasmussen Ridge Mine. The following are Nu-West's comments and clarifications for the improvements to this work plan.

During spring snowmelt and subsequent water runoff, the drainage is inspected at a minimum of twice a day. Nu-West employs a pump-back system to prevent water from ever discharging from the site. This pumping system is located at our compliance point pond and is identified as Pond #4. Since this pond has a large holding capacity for water runoff and the fact that Nu-West personnel inspect the drainage twice per day, there is little chance of this pond overflowing and discharging off site. The pump is sized large enough to remove water from Pond #4 quicker than the drainage can add water into Pond #4. If a discharge ever would occur from Pond #4, Nu-West personnel will measure the volume of water discharging from the overflow pipe.

Nu-West is presently sampling once every two weeks at Pond #4 and at the pre-Nu-West pond, also identified as Pond #5. The first round of sampling began on April 14, 2005. Samples were taken again on April 28th, May 12th, and May 26th. Sampling will continue into June or when runoff stops. The samples are identified as discharge water or in pond water.

Nu-West is surveying the springs/seeps in the West Fork drainage, above Pond #4, for flow rate and duration of flow. A water sample from each spring/seep will be analyzed during the survey each spring. If new seeps are discovered, they will be located and analyzed for pollutants of concern.

* A Registered Name of Nu-West Industries, Inc.

The pollutants of concern Nu-West will analyze for are: selenium, cadmium, chromium, nickel, zinc and vanadium. A sample for water hardness will also be taken. Selenium will be reported as total recoverable with the remaining metals reported as dissolved.

The water samples are being analyzed by ACZ Labs in Steamboat Springs, Colorado. The protocol used is EPA Method 200.8 ICP-MS with a MDL of 1.0 ug/L for selenium.

Also enclosed is a map of the West Fork of Sheep Creek drainage with the sampling locations identified.

If improvements are to be made to Pond #4, Nu-West will be in close contact with the Forest Service before any work is begun.

I hope we have incorporated all of your recommendations into the work plan, which will enable the EPA to approve the enclosed revised work plan.

Please do not hesitate to contact Nu-West regarding these comments and changes. If you have any additional questions or recommendations, please me at (208) 547-3935 Ext 17.

Sincerely

A handwritten signature in blue ink, appearing to read "Daniel S. Kline".

Daniel Kline
Mine Manager

Enclosures: Revised Quality Assurance Work Plan
Location Map

Cc: Anita Lusty, USFS
Wendell Johnson, BLM

QUALITY ASSURANCE WORK PLAN
WEST FORK OF SHEEP CREEK DRAINAGE
RASMUSSEN RIDGE MINE
NU-WEST INDUSTRIES, INC.

March 16, 2005
Revised May 11, 2005

Prepared by:
Nu-West Industries, Inc.

Quality and Assurance Work Plan
West Fork of Sheep Creek
Rasmussen Ridge Mine

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1.0 PROJECT DESCRIPTION

1.1 Objectives of the Quality Assurance Work Plan

The objective of this Quality Assurance Work Plan (QAWP) is to define procedures that will ensure the quality and integrity of the samples, accuracy and precision of the analyses, representativeness of the results, and completeness of the information obtained from the drainage in the West Fork of Sheep Creek. The information obtained during this site investigation will enable the project members to evaluate the effectiveness of the storm water mitigation measures used in the West Fork drainage. Descriptions of all data objectives and procedures associated with sample collection (sample locations and sample frequency), laboratory analysis procedures, contaminants to be tested, sample custody and shipping, and data quality assessment applicable to this project are presented in this document. For the sake of clarity, a note here is needed on the nomenclature of the drainage of concern, namely West Fork of Sheep Creek. There is another West Fork of Sheep Creek located approximately two miles to the north of the drainage in question. This West Fork drainage is presently in an unmined area with no disturbance. In the past, Nu-West has been referring to the site investigation drainage as the South Rasmussen Drainage (SRD). For continuity with EPA correspondence, Nu-West will refer to the site investigation drainage as the West Fork of Sheep Creek.

1.2 Objective of the Site Investigation

The overall objective of the Site Investigation is to evaluate the effectiveness of the mitigation strategies used in the West Fork of Sheep Creek at reducing possible discharge of pollutants into Sheep Creek.

1.3 Proposed Site Investigation Activities

The following field activities will be conducted during the Site Investigation.

- Survey and location of springs, seeps and storm water retention ponds
- Water quality testing of springs, seeps and storm water retention ponds
- Measure the flow rate from springs, seeps and storm water retention ponds

2.0 PROJECT ORGANIZATION AND RESPONSIBILITIES

2.1 Project Team Organization

The project team will consist of the Project Manager, and the Project Quality Assurance Specialists. Both the manager and the specialist will be responsible for completion of the field activities and communications with the laboratory.

2.1 Project Management Responsibilities

2.2.1 Project Manager - Rob Squires

2.2.2 Project Quality Assurance Specialist - Chuck Jessell

2.2 Analytical Laboratory: ACZ Labs, Steamboat Springs, Colorado

ACZ Labs will perform all the analytical lab work as required by this Site Investigation. A Statement of Qualifications presented by the lab presents the internal procedures used in the Quality Assurance Plan, dated 3/1/2005. The Quality Assurance Plan has been developed with attention given to the regulatory requirements of the EPA and provides guidelines to ensure that AZC employees work to produce analytical data that is legally defensible, accurate, and impartial.

3.0 QUALITY ASSURANCE OBJECTIVES TO BE EVALUATED

3.1. Introduction

This section presents the data quality objectives for the Site Investigation sampling activities. These objectives are quantitative and qualitative statements, which specify the quality of data required to support the objectives of the Site Investigation. Indicators of data quality include precision, accuracy, representativeness, comparability, and completeness.

3.2 Establishing Data Quality Objectives

The objective for data quality reflects the anticipated uses of the data. The primary uses of the data gathered during the Site Investigation sampling activities are to:

- Evaluate any contaminant level of the surface water in the West Fork of Sheep Creek drainage.
- Evaluate the flow rates of surface waters into Sheep Creek.
- Determine the locations of surface water sources into the West Fork of Sheep Creek.

4.0 SAMPLING PROCEDURES/PLANS

4.1 Scope of Work

The specific work items included in this field sampling plan are:

- Locate and identify all sampling locations
- Collecting surface water samples from pre-determined locations.
- Determine frequency of sampling
- Sample handling and custody
- Determine the contaminants to be tested
- Determine flow data
- Analytical method and lab procedures

4.2 Surface Water Sample Locations

Nu-West proposes to sample at four (4) locations in the West Fork of Sheep Creek. These include two (2) known locations where snow melt percolates out from the toe of the overburden dump and two (2) storm water retention ponds located in the West Fork. Each location will be designated with a specific ID number and will be located with GPS coordinates. It should be noted here that the Monsanto phosphate mine is adjacent to the West Fork of Sheep Creek and could possibly have surface water discharge impacts into the West Fork of Sheep Creek. The two storm water retention pond samples will be labeled as discharge water or in-pond(non discharge) water.

4.3 Surface Water Sample Collection

All the water samples taken will be grab samples. A collection container will be used to directly obtain the water sample. This container will be pre-rinsed with the water at the location so that there will be no cross contamination from previous sampling locations. The collection container will be used to transfer the water sample to a pre-labeled sample/shipping bottles supplied by the laboratory performing the testing. The sample/shipping bottle will have a preservative placed in the bottle. The labeling on the sample bottles will include the ID number, date of collection, time of collection. A logbook will be kept to record this information and other information such as weather conditions, name of sampler or other pertinent data and observations. Duplicate water samples will be collected for QA/QC. The duplicates will be preserved, handled, and transported in an identical manner as the actual water samples.

4.4 Sampling Frequency/Storm Water Strategy

The starting date to begin sampling will vary according to weather conditions and snow melt. In 2005, the sampling began on April 14th.

Once the sampling at each designated location has begun, a sampling frequency of twice per month will be utilized for the two retention ponds in the West Fork drainage. The locations where water is percolating from the dump toe will be sampled at least once per runoff season. The twice per month sampling will continue until it has been determined that the flow from spring run off has stopped. Nu-West employs a pump back system to prevent any storm water discharging from the site. Our pump is located in Pond #4, which has a holding capacity large enough to allow Nu-West to start and stop the pump according to the volume of runoff flow, whether the flow is due to a precipitation event or warm weather. If a discharge ever did occur, Nu-West would measure the flow of water from the overflow pipe and report that volume in our yearly report to the EPA and Forest Service.

4.5 Sample Handling and Custody

After the samples are collected and placed into the labeled bottles, they will be transported to the site office and refrigerated overnight. The samples will be packed in coolers with ice and shipped to the lab the following day. A chain of custody form will accompany the samples. Custody seals will be attached to all shipped coolers.

4.6 Contaminants to be Tested

The contaminants of concern are selenium, cadmium, chromium, nickel, zinc, and vanadium. Hardness will also be sampled. All the metals will be reported as dissolved, except selenium, which will be total recoverable.

4.7 Flow Measurements

Flow measurements will be collected at the same time and at the same locations as the surface water samples. These will be recorded in the field logbook. The method used to measure the flow in the drainage will be the Pashall Flume. The easiest method to measure the water flow from the storm water retention pond overflows is a bucket with a known volume and a stopwatch. Duration of flow will be recorded and documented in the yearly report.

4.8 Analytical Method

Selenium will be analyzed according to the EPA 200.8 ICPMS analytical method. The calibration of laboratory instruments and equipment will be according to the manufacturer's instructions or the laboratories Standard Operating Procedures. The MDL for this method is 1.0 ug/L for selenium.

The laboratory analysts will perform the following:

- Reduction of raw data generated to reportable values
- An initial review of analytical and quality data
- Performance of manual calculations and transfer of data onto forms, laboratory reports, and laboratory databases
- Preparation of computer files for instrumentation calculations
- Generation of data for the analytical reports

- Copying of relevant forms and logs for inclusion in the laboratory reports
- Submittal of the laboratory reports to a supervisor for a QA/QC review

Laboratory data and analytical results of the sampling will be transmitted to Nu-West by electronic mail in addition to a hardcopy.

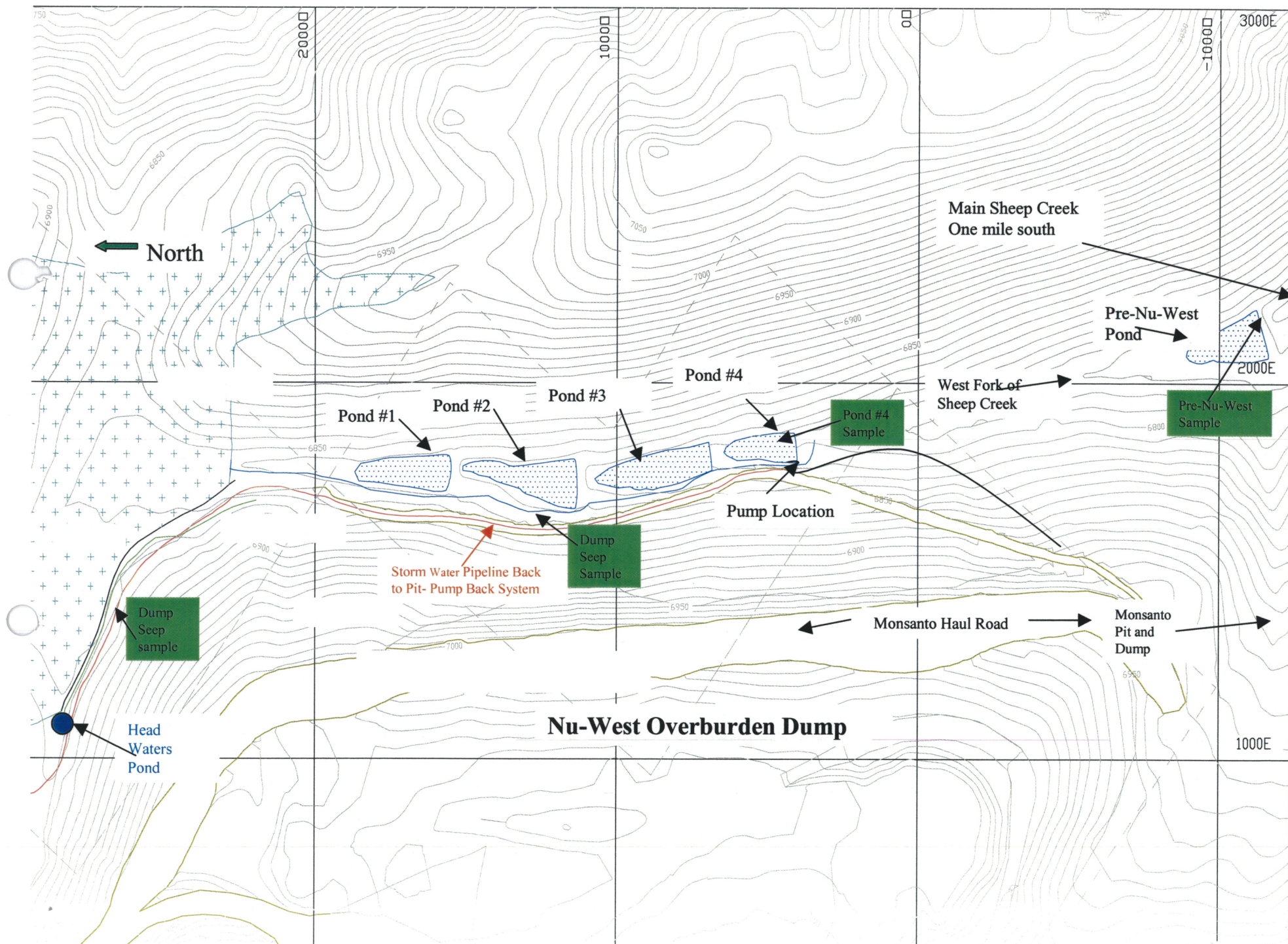
5.0 REPORTING AND PROJECT SCHEDULE

5.1 Reports

Nu-West will supply a report to the EPA and the U.S Forest Service describing the findings of the survey and test results by July 30th of each year. The report will be signed and certified in accordance with the requirements of Part 9.7.4 of the MSGP and submitted to Eva Chun, Compliance Officer, U.S. Environmental Protection Agency, and the District Ranger, U.S. Forest Service, of the local National Forest in Soda Springs.

5.2 Project Schedule

Nu-West will implement the work plan beginning in 2005 and continue through the 2007 spring run off period.





Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

March 28, 2005

File No. MI-05-007



VIA FEDERAL EXPRESS

RESPONSE TO NOTICE OF VIOLATION and INFORMATION REQUEST

Ms. Eva Chun
U.S. Environmental Protection Agency
NPDES Compliance Unit
1200 Sixth Avenue, OCE-133
Seattle, Washington 98101

Re: Rasmussen Ridge Mine, Idaho
Response to CWA Notice of Violation and Information Request

Dear Ms. Chun:

This letter and attached materials are submitted in response to the Notice of Violation ("NOV") and Information Request dated January 24, 2005 addressed to Dan Kline and signed by Michael A. Bussell concerning the EPA storm water inspection of the Rasmussen Ridge Mine conducted on September 13, 2004. On February 28, 2005, we requested and were granted an extension of time for responding to the January 24th NOV and Information Request to and including March 31, 2005. We appreciate the courtesy of the extension.

As a preliminary matter, we note that the January 24th letter is improperly addressed to Mr. Kline at "Agrium U.S. Inc." The Rasmussen Ridge Mine is owned and operated by Nu-West Industries, Inc., doing business as "Agrium Conda Phosphate Operations", at the address listed in your letter. Nu-West Industries, Inc. is the lessee under the federal mineral leases and special use permits that partially cover this mine and is also the permittee under the storm water permit and management plan for this site. Agrium U.S. Inc. is the parent company of Nu-West. To avoid some apparent confusion on this point, we refer to Nu-West Industries, Inc. herein as "Nu-West," rather than by its "dba" name. This response is submitted on behalf of Nu-West.

For ease of reference, we have briefly summarized your statements of violations and have restated your requests for information verbatim below, followed by Nu-West's response.

* A Registered Name of Nu-West Industries, Inc.

RESPONSES TO STATEMENTS OF VIOLATIONS

Violation 1: Part 1.2.3.5 of the MSGP

EPA states in its January 24th letter that it is “aware of at least four instances in the past five years when storm water discharges from storm water retention pond (“SWRP”) No. 5 have occurred and exceeded the State chronic and acute water quality standards for selenium.”

EPA correctly notes in its letter that SWRP Nos. 1, 2, 3, and 4 act in a series and are designed to retain all collected storm water run-off and therefore should not discharge into SWRP No. 5, and that Nu-West has installed a pump-back system in SWRP No. 4 to pump storm water from that pond to a backfill pit if it appears that SWRP No. 4 may exceed its capacity, in order to ensure the absence of any discharge from SWRP No. 4. The inspectors noted that, at the time of the inspection, there was no discharge from the outfalls of SWRP No. 5 or No. 4.

In fact, this pump-back system for SWRP Nos. 1-4 has been effective, and there have been no discharges from the spillway of SWRP No. 4 since Nu-West installed the pump-back system.

With respect to EPA’s comments about SWRP No. 5, as the map appended to EPA’s September 13, 2004 storm water Inspection Report (the “Inspection Report”) shows, SWRP No. 5 is located on National Forest system lands well outside the boundaries of the federal leases and special use permits held by Nu-West for the Rasmussen Ridge Mine. SWRP No. 5 was constructed and already in place before Nu-West took over operations of the Rasmussen Ridge Mine in 1998. Nu-West has been unable to locate any documentation relating to the historic construction of this “trespass” pond, but we presume it was constructed either by the Forest Service itself or without written authorization by a prior operator of the Rasmussen Ridge Mine. Nu-West had included SWRP No. 5 as a BMP in its Rasmussen Ridge Mine SWPPP, and had previously designated it as a compliance point in this drainage for storm water purposes, based upon the misunderstanding that SWRP No. 5 was located within its lease or permit boundaries or was otherwise within its authority to access and control. Because this structure was built and is located on National Forest lands outside of any lease or special use permit held by Nu-West, however, we are informed that Nu-West has no present authority to use, alter or conduct operations in connection with that pond or other off-lease or off-permit areas. As a result, Nu-West has revised its SWPPP to remove SWRP No. 5 as a BMP within Nu-West’s authority, access or control at this time and to indicate that SWRP No. 4 currently is the appropriate storm water point of compliance in this drainage.

In addition to the fact that Pond No. 5 is located on National Forest lands not within any lease or permit held by Nu-West, EPA’s Inspection Report further acknowledges that this Pond also receives storm water run-off from a nearby operating mine in an adjacent tributary drainage. That mine is owned and operated by P4 Production, LLC, an affiliate of Monsanto Corporation. In addition, the West Fork of the Sheep Creek drainage, and Sheep Creek generally, receives storm water run-off not only from these two separate historic and ongoing mining operations, but also from other areas on National Forest system lands.

Compounding these multi-source and land access/ownership complications is the now well-documented fact that the principal source of selenium contamination at the historic phosphate mining sites in southeast Idaho, including the southern part of the Rasmussen Ridge

Mine that drains into SWRP Nos. 1-5, is the "middle waste shale" that was historically used as the "growth medium" on top of all reclaimed mine areas. The U.S. Forest Service, as the federal land surface manager, and the BLM, as the federal mineral lessor, had jointly mandated for several decades that these middle-waste shales be segregated and used in all federal land reclamation plans as the top-layer growth medium, due to their high nutrient content to facilitate revegetation. However, U.S. Forest Service surface water quality data from sampling conducted by Forest Service personnel in 1989-1993 at the historic South Maybe Canyon Mine site, which became public only following an incident of equine selenosis in late 1996, demonstrated along with follow-up data that selenium was leaching from certain areas reclaimed under this long-required method. As a result, that mandate and practice was immediately discontinued after that discovery and disclosure.

EPA's Inspection Report also correctly notes that, after the public and phosphate mine operators also became aware of the above problem in late 1996, a Selenium Working Group ("SWG"), consisting of State and federal agencies, mining companies and other parties, was formed both to study this problem and to develop Best Management Practices ("BMPs") to prevent its recurrence at ongoing operations. As the Report acknowledges, those BMPs have been effectively implemented with respect to then-ongoing operations at the Rasmussen Ridge Mine.

Not noted in the Inspection Report, however, is the fact that this SWG process several years ago also evolved into a number of investigation, planning and remedial actions under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 5601 et seq. ("CERCLA"), with the U.S. Forest Service as the lead agency for sites on predominantly federal lands. CERCLA actions under this process are currently underway at a number of historic phosphate mine sites.

Because the southern portion of the Rasmussen Ridge Mine was constructed and reclaimed by Nu-West's predecessor under the historic reclamation regime mandated before 1997, it has been designated as one of the sites that will be addressed under this CERCLA process. Among other things, CERCLA will authorize access to and facilitate the investigation, planning and ultimate remediation of the potential multi-source sites at this location. CERCLA will also allow the resolution of liability and responsibility claims regarding these historic sites, including claims that the U.S. has liability as the owner, operator, mineral lessor, royalty holder, and mining and reclamation supervisor of this and other sites.

We understand that a CERCLA Administrative Order on Consent ("AOC") is planned to be issued by the Forest Service and other cooperating agencies for the historic "South Rasmussen Ridge Mine," including the areas that drain into the Sheep Creek drainage. That CERCLA process presumably will address the sampling and other items requested in EPA's January 24th letter, as well as a broader scope of other technical issues. Nu-West has little control over the ultimate timing of the issuance of that CERCLA AOC for this Rasmussen Ridge site, but we understand and anticipate that such an AOC will be issued within the next year or so. We also expect that this CERCLA process will ultimately encompass and supersede the sampling program requested and resolve the issues currently being addressed under EPA's January 24th letter and the Storm Water Program generally. In the meantime, Nu-West will proceed as directed in EPA's January 24th letter. If you have any further questions or information about the timing, relationship or other aspects of this CERCLA process, please let us know.

In order to address EPA's concerns raised in its January 24th letter about potential contaminated storm water run-off in the West Fork of Sheep Creek drainage, Nu-West proposes as soon as site conditions permit to make improvements on SWRP No. 4 and to construct additional BMP measures near the southern boundary of its federal mineral lease in this drainage. The improvements to SWRP No. 4 will further prevent leakage from SWRP No. 4 by reinforcing the dam of the pond with material that is more impermeable. Nu-West will also continue to operate the pump-back system to ensure that SWRP No. 4 does not overflow. To further address storm water run-off from the adjacent historic dump that may not have previously been captured by SWRP No. 4, Nu-West will construct additional BMP measures at the toe of the dump on-site near its lease boundary. After consultation with and approval by the Forest Service as necessary, these measures may include silt fencing, straw bales and/or the extension and enhancement of the existing interception trenches between SWRP No. 4 and No. 5.

Violation 2: Part 4.2 of the MSGP

In the attachment to the Inspection Report entitled "Atrium's Rasmussen Ridge Mine, Storm Water Pollution Prevention Plan, Multi-Sector General Permit Tracking No. IDR05A382, EPA Comments, December 2004," EPA identified and requested revisions to address several "deficiencies" in Nu-West's Storm Water Pollution Prevention Plan (SWPPP). Nu-West has revised its SWPPP for the Rasmussen Ridge Mine and has addressed each of the issues noted by EPA. Nu-West also has modified the SWPPP to reflect the current status of the mining operations at the Rasmussen Ridge Mine. After conferral with and approval by the BLM and the Forest Service, Nu-West has placed its previously ongoing operations at the northern portion of this Mine on temporary stand-by, although it intends to resume operations at Rasmussen Ridge in the future. Nu-West will notify EPA and again update the SWPPP when it resumes active operations. Nu-West in the near future will submit Notices of Termination for the Construction General Permits associated with those former active operations.

To address EPA's noted issues, Nu-West has revised the SWPPP Site Map to include the following information: (1) arrows showing the direction of storm water flows have been added where they previously were missing (4.2.2.3.1); (2) the approximate outline of the area draining to each storm water outfall has been added (4.2.2.3.7); (3) P4 Production's Haul Road Pond overflow is now depicted; and (4) the location of culverts, outfall drainage areas, spills, and all BMPs currently in place (including the infiltration trenches located below SWRP No. 4) are now depicted.

To address items on the "EPA Comments" sheet attached to the Inspection Report other than those relating to the Site Map, Nu-West has made the following revisions to the SWPPP. To meet the requirement of MSGP Section 4.4.2.1, Nu-West states that, as it understands and interprets that term and related storm water run-off from this site, there are no allowable "non-storm water discharges" from the site. To comply with Sections 4.5.3 and 4.6.3 of the MSGP, Nu-West has revised the SWPPP to clearly state that the basis of the permit determinations concerning endangered species and historic places was the Mine's initial environmental assessment and 2003 Environmental Impact Statement. A copy of the MSGP 2000 has been appended to the SWPPP to meet the requirement of 4.7 of the Permit. Section 4.8 of the MSGP requires that the SWPPP identify state, tribal or local requirements that are more stringent than the MSGP requirements. Because there are none, the SWPPP did not identify any. The Plan has

been modified to reflect this. The annual compliance evaluation inspection reports have been signed as required by Sections 4.9.4 and 9.7 of the Permit.

INFORMATION REQUESTED AND AGRIMUM'S RESPONSE

Request No. 1: Agrium shall submit all water sampling data collected from the West Fork of the Sheep Creek drainage for the years 2000, 2001, 2002, 2003, and 2004. Agrium must include the sampling location, date of sampling, the contaminants analyzed, and the analytical results. Agrium shall submit this information to EPA and the U.S. Forest Service within forty-five (45) days of receipt of this letter.

Response No. 1: Nu-West is providing with this letter all water sampling data it has collected in the West Fork of the Sheep Creek drainage for the years 2000 through 2004, identified by location, sampling date, contaminants analyzed and analytical results. The data also indicates whether the sample was taken from within a retention pond or from the outfall of the pond.

Request No. 2: Agrium shall prepare a work plan for the survey and testing of the springs, seeps, and storm water retention ponds in the West Fork of the Sheep Creek drainage. Agrium shall submit the plan to EPA and the U.S. Forest Service for review within forty-five (45) days of receipt of this letter. The plan shall be in the form of a quality assurance plan and include sampling locations, sampling frequency, and contaminants to be tested. Information to be collected shall include the location of seeps, flow data, and concentrations of contaminants of potential concern.

Response No. 2: Nu-West has prepared the requested work plan, entitled "Quality Assurance and Work Plan for the Survey and Sampling of Springs, Seeps, and Retention Ponds in the West Fork of the Sheep Creek Drainage" ("Work Plan") and is providing a copy with this letter for the review and approval of EPA and the U.S. Forest Service. As alluded to in response to Violation 1 above, this request does not appear to be limited to springs, seeps or retention ponds that are located on lands under any lease or special use permits held by Nu-West. As discussed in greater detail above, SWRP No. 5 is located outside the boundaries of the lease and special use permits held by Nu-West, as is the remainder of the drainage downgradient from SWRP No. 5, as well as approximately 900 feet upgradient of SWRP No. 5. Although Nu-West has performed storm water monitoring and other minor activities in this area in the past, Nu-West is advised and understands that it does not currently have legal access or authority to perform work on lands outside its lease and permit boundaries. Therefore, Nu-West has included contingent provisions in the Work Plan addressing the requested survey and sampling work in the drainage outside of its existing lease and special use permit boundaries. As noted above, we are informed that the CERCLA process anticipated to address this area will resolve these access, permitting and related problems. In the meantime, please let us know if there is some present or other possible future basis or authority for such off-site work.

Request No. 3: Agrium shall implement the work plan during the 2005, 2006, and 2007 spring run-off period.

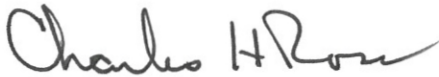
Response No. 3: Nu-West will implement the work plan, upon approval by EPA and the U.S. Forest Service, during spring run-off in 2005, 2006, and 2007.

Request No. 4: Agrium shall submit to EPA and the U.S. Forest Service a report describing the findings of the annual survey and test results by July 30 of each year.

Response No. 4: Nu-West will submit a report describing the findings of the annual survey and test results to EPA and the U.S. Forest Service by July 30 of 2005, 2006 and 2007.

If you have any questions or directions regarding this submittal, please contact me at the address noted above or Mine Manager Dan Kline at (208) 547-3935.

Sincerely,



Charles Ross
President
Nu-West Industries, Inc.

Enclosures: Quality Assurance Work Plan (QAWP)
 Sampling Water Data Spreadsheet

cc: David Whittikiend, District Ranger,
 Soda Springs Ranger District, Caribou-Targhee National Forest
 Dan Kline
 Rob Squires
 Chuck Jessell
 Zach Miller

QUALITY ASSURANCE AND WORK PLAN (QAWP)
FOR
THE SURVEY AND SAMPLING OF SPRINGS, SEEPS AND RETENTION
PONDS
IN THE WEST FORK OF SHEEP CREEK DRAINAGE
RASMUSSEN RIDGE MINE
NU-WEST INDUSTRIES, INC.

March 28, 2005

QAWP Approval

EPA Region 10 _____

Date

U.S. Forest Service _____

Date

Quality Assurance and Work Plan for
the Survey and Sampling of Springs, Seeps and Retention Ponds
in the West Fork of Sheep Creek
Rasmussen Ridge Mine

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1.0 PROJECT DESCRIPTION

1.1 Introduction

In September 2004, EPA conducted a storm water inspection of Nu-West's Rasmussen Ridge Mine in southeastern Idaho. On January 24, 2005, EPA sent to Nu-West a "Notice of Violation and Request for Information." In that Notice and the attached Inspection Report, EPA noted its concern about the potential for storm water run-off from the Mine to cause surface water quality impacts, particularly from the drainage referred to by EPA as the West Fork of Sheep Creek. To better determine the potential for surface water quality impacts, EPA directed Nu-West to prepare this Quality Assurance and Work Plan ("QAWP" or "Work Plan") for the survey and sampling of the springs, seeps, and storm water retention ponds in the West Fork of Sheep Creek, and to implement the Work Plan during spring run-off in 2005, 2006 and 2007. More specifically, Nu-West is to locate springs and seeps, collect flow data from springs, seeps and storm water retention ponds, and sample and have analyzed for contaminants of potential concern water from the seeps, springs and ponds. Nu-West understands that springs and seeps are being requested by EPA to be sampled in connection with Nu-West's storm water permit and management plan because such springs and seeps are considered to consist of percolating storm water from the surrounding area.

As noted in EPA's Inspection Report, the drainage in question receives storm water run-off not only from Nu-West's Rasmussen Ridge Mine, but also from other sources, including P4 Production's mining operations and other U.S. Forest Service lands. Further, the scope of EPA's request for survey and sampling activities on National Forest system lands does not appear to be limited to the lands within the boundaries of the federal mineral lease and U.S. Forest Service Special Use Permits held by Nu-West. Nu-West is advised and understands that it currently does not have authority to conduct activities in the West Fork of Sheep Creek on federal lands beyond its lease and permit boundaries. As a result, the Work Plan currently is limited to activities to be conducted within those boundaries. In the event authority to access and conduct operations on other federal lands is granted under CERCLA or otherwise, the Work Plan will be altered as necessary.

For the sake of clarity, a note is also needed on the nomenclature of the drainage of concern, namely the West Fork of Sheep Creek. There is another drainage commonly called the "West Fork of Sheep Creek" located approximately two miles to the north of the drainage in question. This latter West Fork drainage is in an un-mined area with no disturbance. In the past, Nu-West referred to the drainage that is the subject of this QAWP as the "South Rasmussen Drainage," and the further north drainage as the West Fork of Sheep Creek. For consistency and in the effort to avoid confusion, however, Nu-West will refer to the drainage addressed in this QAWP as the "West Fork of Sheep Creek."

1.2 Objective of the Work

The overall objective of the Work is to evaluate the effectiveness of the mitigation strategies used by Nu-West at the Rasmussen Ridge Mine in the West Fork of Sheep Creek drainage at reducing possible discharges of storm water run-off containing pollutants into Sheep Creek.

1.3 Objective of the Quality Assurance and Work Plan

The objective of this QAWP is to identify the Work to be performed, and to specify the procedures to be utilized in performing the Work, including those that will ensure the quality and integrity of the samples, accuracy and precision of the analyses, representativeness of the results, and completeness of the information obtained from the drainage in the West Fork of Sheep Creek. Descriptions of all data objectives and procedures associated with sample collection (sample locations and sample frequency), laboratory analysis procedures, contaminants to be tested, sample custody and shipping, and data quality assessment applicable to this project are presented in this Work Plan.

1.4 Summary of Work To Be Performed

The following Work will be conducted, as described in greater detail herein:

- Survey and location of springs, seeps and storm water retention ponds;
- Water quality testing of springs, seeps and storm water retention pond outfalls;
- Flow rate measurement of springs, seeps and storm water retention pond outfalls; and
- Annual reporting to EPA and U.S. Forest Service.

2.0 PROJECT ORGANIZATION AND RESPONSIBILITIES

2.1 Project Team Organization

The project team will consist of the Project Manager and the Project Quality Assurance Specialist. Both the manager and the specialist will be responsible for completion of the field activities and communications with the laboratory, including ensuring that the water samples are properly delivered to the laboratory. Both the manager and the specialist will be responsible for compiling the reports of data collected, and for submitting annual reports to EPA on or before July 30 of 2005, 2006 and 2007.

2.2 Project Management Responsibilities

2.2.1. Project Manager: Rob Squires

2.2.2. Project Quality Assurance Specialist: Chuck Jessell

2.3 Analytical Laboratory: ACZ Labs

ACZ Labs will perform all the analytical lab work required by this Work Plan in accordance with the EPA protocol identified in Section 3.8 below and all other EPA regulations and requirements.

3.0 WORK TO BE PERFORMED

3.1 Scope of Work

The specific work items included in this Work Plan are:

- Locate and identify all sampling locations
- Collect surface water samples from determined sampling locations
- Determine frequency of sampling
- Sample handling and custody
- Measure flow from determined sampling locations
- Analyze samples for total selenium concentrations
- Record information collected
- Submit report to EPA and U.S. Forest Service

3.2 Surface Water Sampling Locations

Nu-West proposes to take water samples at the following locations in the West Fork of Sheep Creek drainage area: two (2) known locations where snow melt and other storm water run-off percolates out or “seeps” from the toe of the overburden dump, and the outfalls of any of the four (4) storm water retention ponds located in the West Fork drainage (*i.e.*, SWRP Nos. 1-4) that are overflowing. Each location will be designated with its own specific ID number and will be located and identified with GPS coordinates.

If Nu-West is given legal access to and authority to conduct operations on federal lands within portions of the West Fork of Sheep Creek drainage that are beyond its lease and permit boundaries, Nu-West will take water quality samples from seeps or springs it identifies in the West Fork drainage downgradient of those boundaries, as well as from any overflow from SWRP No. 5, and from a point in the drainage immediately upgradient of its confluence with Sheep Creek.

3.3 Surface Water Quality Sample Collection

All the water samples taken will be grab samples. A collection container will be used to directly obtain the water sample. This container will be pre-rinsed with the water at the sampling location so that there will be no cross-contamination from previous sampling locations. The collection container will be used to transfer the water sample to a pre-cleaned and pre-labeled sample/shipping bottle supplied by ACZ Labs. The sample/shipping bottle will have a preservative of nitric acid already in the bottle. Each sample bottle will be marked in water resistant ink with the sample location ID number, date of collection, and time of collection. A logbook will be kept to record this information and other information including weather conditions, name of sampler and other pertinent data and observations. Duplicate water samples will be collected for QA/QC purposes. The duplicates will be preserved, handled, and transported in an identical manner as the actual water samples.

3.4 Sampling Frequency

Sampling will begin as soon as weather conditions and snowmelt allow. The sampling from the storm water retention ponds would not begin until there is overflow from the designed overflows.

Once the sampling at each designated location has begun, samples will be collected once a month. Some adjustments to the sampling frequency may be required once sampling begins at all locations, so that all the locations can be sampled on the same day. The monthly sampling will continue until: (1) the overflow from the storm water retention ponds stops and (2) it has been determined that the flow from spring run-off has stopped.

3.5 Sample Handling and Custody

After the samples are collected and placed into the labeled bottles, they will be transported to the site office and refrigerated overnight. The samples will be packed in coolers with ice and shipped to the lab the following day. A chain of custody form will accompany the samples. Custody seals will be attached to all shipped coolers.

3.6 Contaminants to be Tested

Based on extensive sampling and analysis at other historic phosphate mines in the vicinity, the only contaminant that will be tested for is selenium. Water quality standards for selenium are based on the total metal concentration; therefore the samples will be tested for total selenium concentration.

3.7 Flow Measurements

Flow measurements will be collected at the same time and at the same locations as the water quality samples. The flow measurements will be recorded in the field logbook. The methods used to measure the flow will include the Parshall Flume and the Pygmy Meter. The easiest method to measure the water flow from the storm water retention pond overflows is a bucket with a known volume and a stop watch, so this method will be used for these outflows.

3.8 Analytical Method

Selenium will be analyzed according to the EPA 200.8 ICPMS analytical method. The laboratory instruments and equipment will be calibrated according to the manufacturer's instructions or the laboratory's Standard Operating Procedures.

The laboratory analysts will:

- Reduce raw data generated to reportable values
- Perform an initial review of analytical and quality data
- Perform manual calculations and transfer data onto forms, laboratory reports, and laboratory databases
- Prepare computer files for instrumentation calculations
- Generate data for the analytical reports

- Copy relevant forms and logs for inclusion in the laboratory reports
- Submit the laboratory reports to a supervisor for a QA/QC review

The laboratory data and analytical results of the sampling will be transmitted to Nu-West by electronic mail in addition to a hardcopy.

4.0 REPORTING AND PROJECT SCHEDULE

4.1 Reports

Nu-West will supply a report to the EPA and the U.S Forest Service describing the findings of the survey and test results by July 30th of each reporting year (*i.e.*, 2005, 2006, and 2007). The report will be signed and certified in accordance with the requirements of Part 9.7.4 of the MSGP and submitted to Eva Chun, Compliance Officer, U.S. Environmental Protection Agency, and the District Ranger, U.S. Forest Service, of the Caribou-Targhee National Forest in Soda Springs, Idaho.

4.2 Project Schedule

Nu-West will implement the work plan during spring run-off beginning in 2005 and continuing through 2007.



1DR05A382

Agrium Conda Phosphate Operations*

3010 Conda Road
Soda Springs, ID 83276
Tel: 208-547-4381
Fax: 208-547-2550

February 28, 2002

File No. 02-006

VIA FEDERAL EXPRESS

RESPONSES TO INFORMATION REQUEST

Joe Roberto
U.S. Environmental Protection Agency
1200 Sixth Avenue (Mail Stop OW-133)
Seattle, Washington 98101-1128

Re: Rasmussen Ridge Mine, Idaho
Response to CWA 308 Information Request

Dear Mr. Roberto:

This letter and attached materials are submitted in response to your letter to me dated January 25, 2002, received January 29, 2002, which requested certain information and materials relating to stormwater management at the above mine in Caribou County, Idaho, under Section 308 of the Clean Water Act, 33 U.S.C. 1318.

We note that your January 25th letter is improperly addressed to me at Agrium USA Inc. The Rasmussen Ridge Mine is owned and operated by, and I am an employee of and Mine Manager for, Nu-West Industries, Inc., doing business as Agrium Conda Phosphate Operations ("Agrium" or "Nu-West"), at the address listed in your letter. Agrium USA Inc. is the parent company of Agrium. This response is submitted on behalf of Agrium Conda Phosphate Operations.

On February 27, 2002, Agrium requested by telephone and was granted by you an extension of time, until March 8, 2002, to submit its Response to EPA's January 25th CWA 308 Information Request. As I indicated in that telephone conversation, Agrium is incorporating recent changes into its Stormwater Pollution Prevention Plan that required prior approval by the Idaho Department of Environmental Quality, which we just recently received, and so required the extra time to finalize the document. The Stormwater Pollution Prevention Plan enclosed in response to Request No. 8 below is the current, updated version of that Plan.

* A Registered Name of Nu-West Industries, Inc.

For ease of reference, we have restated your requests verbatim below, followed by Agrium's response after each request.

INFORMATION REQUESTED AND AGRIUM'S RESPONSE

General EPA Request: For the time period starting January 1, 1997 through to the date of your receipt of this letter, please provide the following information:

Request No. 1: The results of any effluent monitoring conducted of effluent discharged from any of the Storm Water Retention Ponds ("SWRP") at the Facility. Include the SWRP identification number and the date that the samples were collected.

Response to Request No. 1: Stormwater discharges from the Rasmussen Ridge Mine (the "Mine") currently are permitted under the 2000 "National Pollutant Discharge Elimination System (NPDES) Storm Water Multi-Sector General Permit for Industrial Activities" ("Stormwater MSGP"), and previously were permitted under the 1995 Stormwater MSGP. The Mine is a phosphate mine, SIC Code 1475, covered under Sector J of both the 1995 and the 2000 MSGP. As confirmed by EPA Region 10, the only effluent monitoring that facilities with the SIC Code 1475 under Sector J are (and were) required to conduct is quarterly visual monitoring of stormwater effluent discharges.

The Mine was purchased by Agrium from Rhodia on February 2, 1998. This being the case, Agrium has no knowledge or records of any stormwater discharges or discharge monitoring by Rhodia prior to the purchase date. The results of the site's quarterly visual stormwater monitoring activities by Agrium are reported in Attachment D to the site's Stormwater Pollution Prevention Plan ("SWPPP") that is being provided with these responses, see Response to Request No. 8 below. See also SWPPP Attachments E (reports of annual site compliance evaluations) and F (log of routine site, stormwater and BMP inspections) for more information concerning stormwater inspections and monitoring at the Facility. Analytical results of voluntary stormwater sampling conducted by Agrium for due diligence purposes at the noted retention ponds and dates while the ponds were observed or determined to be discharging are attached to the SWPPP as Attachment I.

Request No. 2: All dates on which effluent was observed discharging from any of the SWRP's at the Facility. Include the SWRP identification number, the name of the surface water receiving the discharge, and the individual making the observation. This response shall include, but is not limited to, observations made during quarterly visual monitoring, sampling events, annual comprehensive site compliance evaluations, and any other routine or non-routine monitoring or observations.

Response to Request No. 2: Overflow was observed and documented at SWRP No. 5 on 4/07/2000, 4/12/2000, 4/03/2001, 4/27/2001 and 6/5/2001. These observations were made by the Mine's Environmental Coordinator, Rob Squires. This discharge would flow into the unnamed ephemeral drainage below SWRP No. 5, which is tributary to and is located approximately one mile up-gradient from Sheep Creek.

Overflow was observed and documented at SWRP No. 31 on 6/27/2001 by Rob Squires. This discharge would flow into the Reese Canyon drainage, which is an ephemeral drainage that is tributary to and approximately two miles upgradient of the Little Blackfoot River. Discharge was also observed and

documented from SWRP No. 16 on 4/19/2000 and from SWRP No. 17 on 4/21/2000. Both observations were made by Rob Squires. These discharges would flow into ephemeral drainages that are tributary to Rasmussen Creek. Both SWRP No. 16 and No. 17 were removed, reclaimed and replaced by SWRP No. 18 in early 2001, as a stormwater management improvement measure.

Observations of overflow from the above ponds were also made during the early spring runoff period in 1999, but the specific dates of observation are unknown.

Request No. 3: The results of any effluent monitoring conducted of effluent discharged from the diversion pipeline discharging into No Name Creek. Include the dates that the samples were collected.

Response to Request No. 3: This diversion pipeline was constructed by Agrium to transport and shield snow melt water and rain water runoff from undisturbed native ground away from any mining-related disturbance. Since there is no contact between mining-associated materials or disturbances and this stormwater, Agrium was not required to conduct any type of monitoring for this diversion. However, Agrium has voluntarily collected and analyzed two (2) water samples from this pipeline for due diligence purposes. The only element analyzed was selenium. The sampling dates were 4/10/2000 and 4/05/2001, with analytical results of 0.008 mg/l and 0.082 mg/l of selenium, respectively.

Request No. 4: Plans and specifications for SWRP #s No. 1, 2, 3, and 4. Include a description indicating how the ponds were designed to function (for example, identifying whether the ponds will operate in series, whether certain ponds are designed not to overflow, pond sizing, etc.).

Response to Request No. 4: There are now five SWRPs, Nos. 1, 2, 3, 4 and 5, in this drainage tributary to Sheep Creek. SWRPs Nos. 1, 2 and 5 were constructed by Rhodia, the Mine's previous owner, not by Agrium, and no plans or specifications for these ponds were included in the records obtained by Agrium at the time of purchase. Therefore, Agrium has no plans and specifications for those three (3) ponds. Agrium has added two (2) ponds, No. 3 and No. 4, in the series, to work in conjunction with the previously constructed ponds. The enclosed sketches at the end of this letter are for SWRPs No. 3 and No. 4, which show the pond size and dimensions.

These five ponds, as modified and improved, are designated to function as follows: SWRP No. 1 is designed to overflow into No. 2, which can overflow into No. 3, which can overflow into No. 4. These first four ponds were designed to contain all the stormwater runoff from any previously disturbed areas in this drainage and therefore not discharge into SWRP No. 5, which could overflow into Sheep Creek. See Attachment A-2 in the Pollution Prevention Plan submitted with these responses.

The site has also constructed a small collection ditch, approximately 1 foot by 1 foot, along the toe of the overburden dump at a 1% grade leading to and emptying into SWRP No. 1. This ditch is designed to direct any and all stormwater runoff, with possible sediments or other materials, flowing from the "South Rasmussen Inactive Backfill Area" into SWRP No. 1, with possible overflow only into subsequent ponds SWRPs Nos. 2-4. Water seasonally flowing from the general "seep area" east of the haul road, as further described in Response No. 5 below, flows into a wetland pond that is located down-

gradient to the north and in close proximity to that area. From the wetland pond, the water is collected and diverted through a 12" plastic pipe into SWRP No.1. See Attachment A-2 to the SWPPP.

In the unlikely event that SWRPs No.1 through No. 4 will not contain all stormwater runoff from this Area, the site has developed a back-up plan recently approved by the Forest Service and the State. A pump will be placed in the northernmost, historically constructed wetland pond, described above, in the drainage just above SWRP No. 1. In the event of extraordinarily high snow melt or other stormwater runoff in a given year, water will be pumped from the above pond into the mined out backfill pit adjacent to and just above this drainage. This should ensure that the SWRPs Nos. 1-4 system will never overflow into SWRP No. 5 and, by reducing the inflow to SWRP No. 1, will provide any extra volume needed for the SWRPs Nos. 1-4 system to contain all potentially impacted stormwater runoff. The Idaho Department of Environmental Quality has approved of this pumping back-up plan. See Attachment T to the SWPPP.

The site has further planned for the stormwater runoff from the undisturbed area in this drainage to be collected before it mixes with stormwater runoff that may come into contact with mining-disturbed areas, by piping the water from the undisturbed areas around SWRPs Nos. 1-4 and then placing that unaffected runoff back into the drainage just above SWRP No. 5. This would allow the stormwater not associated with any industrial activities to flow directly into SWRP No. 5 and then, after retention and collection of sediments in SWRP No. 5, to flow into the ephemeral drainage one mile up-gradient of Sheep Creek.

We note that the U.S. Forest Service, under protest by Agrium, has allowed P4 Production LLC to direct stormwater impacted by their up-gradient mining operations at P4's South Rasmussen Mine into Agrium's SWRP No. 5. Agrium has no control over that stormwater or any resulting contamination that may be caused by P4's stormwater discharges.

Request No. 5: The results of any effluent monitoring conducted of the effluent seeping from the South Rasmussen Inactive Backfill Area. Include the dates that the samples were collected.

Response to Request No. 5: The Mine is not required to conduct "effluent monitoring" of any water "seeping" from the South Rasmussen Inactive Backfill Area for a number of reasons. The stormwater regulations only regulate point source discharges of industrial stormwater into regulated waters of the U.S. Stormwater flowing or "seeping" from innumerable points from this reclaimed waste rock deposit area as a result of snow melt and precipitation events is neither "effluent" nor a "point source discharge," nor does it discharge to regulated waters. As described in Response Nos. 4 and 7, any stormwater runoff percolating into and flowing off or out of this Backfill Area is collected and retained in SWRPs Nos. 1-4 and, in times of very high runoff, may be pumped into the Rasmussen Ridge Mine pit, under the back-up plan described above. Furthermore, the South Rasmussen Inactive Backfill Area has been fully reclaimed, so the water flowing from that Area does not come into contact with any active mine materials so as to trigger stormwater permitting and related requirements. See 55 Fed. Reg. 47990 at 48029 (Nov. 16, 1990).

For due diligence purposes, however, Agrium has voluntarily sampled and analyzed a small amount of stormwater that percolates through this waste rock deposit and seasonally seeps out near the bottom of

the South Rasmussen Inactive Backfill Area immediately adjacent to SWRP No. 2, into which that flow drains, during the period of high snow-melt runoff. That sample was taken on May 23, 2000, with an analytical result of 0.619 ppm of selenium. As noted in Response No. 6 below, a small volume of stormwater has also been observed flowing during the snow-melt and summer months from various points in a general area just east of the Mine haul road and south of the Mine office. Agrium has not sampled the flow of stormwater from that area directly, and the flow appears to be too minimal and too shallow to do so as a practical matter. For due diligence purposes, however, Agrium voluntarily has taken and had analyzed (for selenium only) water from a wetland pond site constructed by Rhodia, the Mine's original owner and operator, that is located down-gradient to the north in close proximity to that area. Although beyond the scope of EPA's request, in the spirit of candor and cooperation, Agrium reports that the dates and results of its voluntary sampling from this constructed wetland pond are as follows: 4/14/99: 0.083 ppm; 5/12/99: 0.250 ppm; 6/16/99: 0.260 ppm; 8/19/99: 0.016 ppm; 9/28/99: 0.003 ppm; 11/02/99: 0.004 ppm; 4/10/2000: 0.130 ppm; 4/17/2000: 0.290 ppm; 4/20/2001: 0.190 ppm; 7/23/2001: 0.005 ppm. It is unknown whether water was actually flowing from the Inactive Backfill Area at the time any of the referenced samples were taken from the pond. Agrium further notes that EPA took samples of the "marsh" area in the general drainage downstream from this constructed wetland pond and upstream of SWRP No. 1 during EPA's 2001 stormwater inspection of the Mine.

Request No. 6: All dates on which effluent was observed seeping from the South Rasmussen Inactive Backfill Area. Include the name of the individual making the observation. This request shall include, but is not limited to, observations made during quarterly visual monitoring, sampling events, annual comprehensive site compliance evaluations, and any other routine or non-routine monitoring or observations.

Response to Request No. 6: There is no requirement under the Stormwater MSGP to monitor or observe stormwater seeping or flowing from the South Rasmussen Inactive Backfill Area. As described above, all such water is collected in SWRPs Nos. 1-4, and observations of discharges from those Ponds are noted above and in the SWPPP. However, stormwater runoff has been observed seeping from the South Rasmussen Inactive Backfill Area from a general area just east of the Mine haul road and south of the Mine office on 8/17/2000, during the EPA inspection by Mr. Wallace and Mr. Tomton, and again on 4/27/2001 during the EPA inspection by Mr. Hess. Stormwater runoff has been generally observed to seep from that area from the time of spring thaw through approximately August or September. As noted in Response No. 5, a small amount of stormwater was observed flowing from an area above and immediately adjacent to SWRP No. 2 on May 23, 2000 and generally during periods of high snow-melt. All referenced observations were made by Rob Squires.

Request No. 7: A description of how the seepage from the South Rasmussen Inactive Backfill Area is managed (for example, identify whether the seepage is collected, piped, pumped, stored in ponds, etc.). Also indicate whether this seepage has ever ultimately been discharged to surface waters.

Response to Request No. 7: Any stormwater runoff "seeping" or otherwise flowing from this Backfill Area should not discharge to any surface water under the stormwater management system in place. Agrium has no knowledge of any such discharge prior to its acquisition of the Mine in February 1998. As further described in the SWPPP and in Response No. 4 above, the site has

constructed a small collection ditch, approximately 1 foot by 1 foot, along the toe of the overburden dump at a 1% grade leading to and emptying into SWRP No. 1. This ditch is designed to direct any and all stormwater runoff, with possible sediments or other materials, flowing from the "South Rasmussen Inactive Backfill Area" into SWRP No. 1, with possible overflow only into subsequent ponds SWRPs Nos. 2-4, as described in Response No. 4. Water seasonally flowing from the general "seep area" east of the haul road, as described in Response No. 5 above, flows into the above-described wetland pond and is collected and diverted through a 12" plastic pipe into SWRP No.1. See Attachment A-2 to the SWPPP.

As described in greater detail in Response No. 4 above, SWRPs Nos. 1-4 are designed to capture any and all stormwater that could contact any mine-related materials, to sequentially settle out and collect sediments and other potential pollutants in that stormwater runoff, and ultimately to prevent any discharge of that water to any regulated waters from the last downstream retention pond (SWRP No. 5). In sum, the overall design for the above SWRPs is intended to capture and contain all the stormwater runoff from this entire Backfill Area, including from any seasonal "seep" areas, within the upper four retention ponds, with the pump-to-Mine-pit back-up plan described above in the SWPP as further assurance of complete containment. A water balance and holding capacity calculation and related regulatory approvals for this improved containment plan are included in Attachment T to the SWPPP.

Request No. 8: Provide a copy of the facility's most up-to-date Storm Water Pollution Prevention Plan, including all required attachments as outlined in the Multi-Sector General Permit (MSGP). This request includes, but is not limited to, all documents described under Parts 4.2, 4.4, 4.5, 4.9, 5.1, 8.1 and 9.16 of the MSGP.

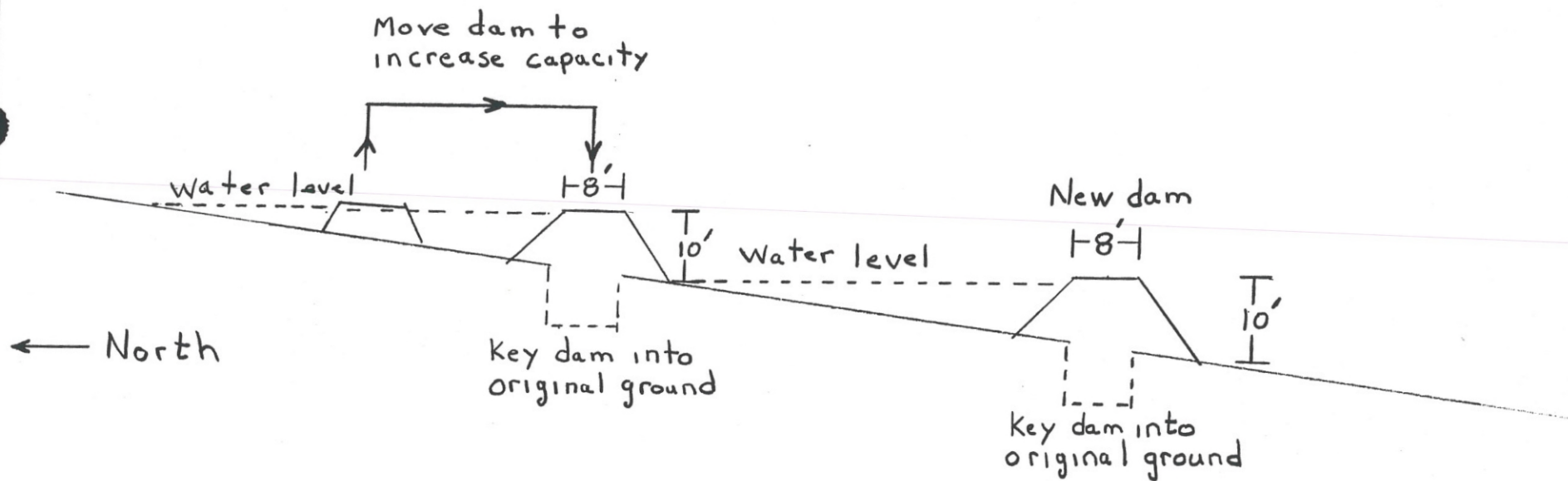
Response to Request No. 8: The referenced plan is attached and forwarded with this letter.

If you have any questions or directions regarding this submittal, please contact me at the address noted above or at (208) 574-2420.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan Haslam", with a long horizontal flourish extending to the right.

Alan Haslam
Mine Manager



Section View
Agrium Project
Caribou County
Idaho
Nov 21, 2001

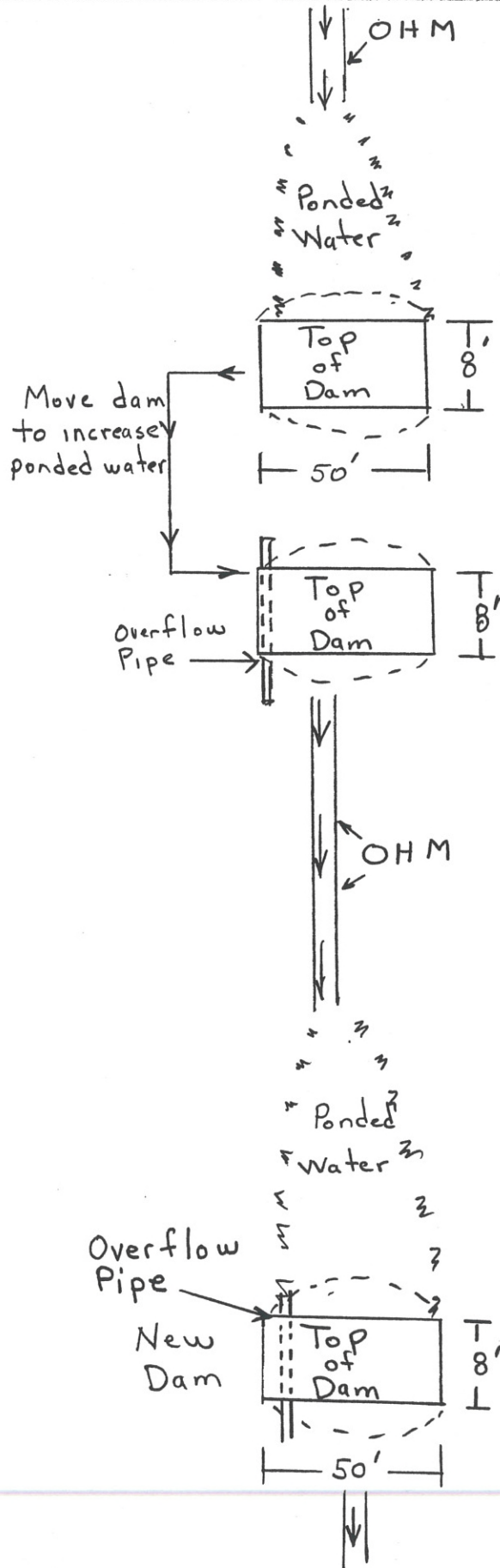
Not to scale



Dam Dimensions
50' X 10' X 8'
L X H X W

Total Fill Material
Discharged Below Ordinary High
Water Mark (OHM) for
2 Dams is 4.74 yd³

Plan View
Agrium Project
Caribou County
Idaho
Nov. 21, 2001
Not to scale



					RASMUSSEN RIDGE				
					WEST FORK OF SHEEP CREEK DRAINAGE				
					<u>2001 SURFACE WATER DATA</u>				
Locations			Se mg/l	Cd mg/l	Ca mg/l	Mg mg/l	Ni mg/l	Zn mg/l	Date Sampled
Ponds south of Agrium's office			0.087	0.007	239	86.4	0.23	0.74	3/29/2001
at the @head of west fork of			0.19*	ND	ND	ND	ND	ND	4/20/2001
Sheep Creek			0.005	ND	ND	ND	N	ND	7/23/2001
Marsh land water			0.11*	ND	ND	ND	ND	ND	4/27/2001
			0.005*	ND	ND	ND	ND	ND	7/23/2001
SWRP #1		In Pond	0.037	0.0008	329	100	0.06	0.16	4/6/2001
			0.12*	ND	ND	ND	ND	ND	4/20/2001
			0.02	ND	ND	ND	ND	ND	7/23/2001
SWRP #2		In Pond	0.051	0.0023	294	101	0.1	0.33	4/6/2001
			0.08*	ND	ND	ND	ND	ND	4/20/2001
			0.034	ND	ND	ND	ND	ND	7/23/2001
SWRP #3	Constructed in the		0.041	0.0012	293	108	0.01	0.1	4/6/2001
	fall of 2000	In Pond	0.066	ND	ND	ND	ND	ND	4/20/2001
SWRP #4	Constructed in the								
	fall of 2001								
SWRP #5		In Pond	0.059*	ND	ND	ND	ND	ND	4/16/2001
		Overflow	0.08*	ND	ND	ND	ND	ND	4/27/2001
		In Pond	0.013	ND	ND	ND	ND	ND	7/23/2001
West Fork of Sheep			0.001	ND	ND	ND	ND	ND	7/23/2001
Creek prior to entering									
main Sheep Creek									
Main Sheep Creek			<0.001	ND	ND	ND	ND	ND	7/23/2001
downstream of West									
Fork									
ND No data									
* Selenium data is an estimate due to matrix interference									

					RASMUSSEN RIDGE				
					WEST FORK OF SHEEP CREEK DRAINAGE				
					<u>2002 SURFACE WATER DATA</u>				
Locations			Se mg/l	Cd mg/l	Ca mg/l	Mg mg/l	Na mg/l	Zn	Date Sampled
Ponds south of Agrium's office			0.157	0.026	372	165	35.1	ND	4/10/2002
at the @head of west fork of			0.099	0.022	452	205	21.6	ND	5/9/2002
Sheep Creek			0.15	0.049	456	227	26.5	ND	5/16/2002
Runoff Ditch - toe of			0.29	0.012	407	161	15.6	ND	4/16/2002
dump									
Marsh			0.044	0.006	339	122	21.2	ND	4/10/2002
			0.112	0.008	460	165	22.3	ND	5/9/2002
			0.077	0.011	464	156	21.6	ND	5/16/2002
Steel diversion dam			0.015	0.003	268	74.5	15.1	ND	4/10/2002
			0.02	<0.003	351	122	22.1	ND	5/9/2002
			0.011	<0.003	405	127	21.8	ND	5/16/2002
SWRP #1		In Pond	0.004	<0.003	12.9	3.5	1	ND	4/10/2002
			0.12	0.003	432	148	19.7	ND	5/16/2002
SWRP #2		In Pond	0.23	0.01	472	214	19.6	ND	5/16/2002
SWRP #3		In Pond	0.19	0.006	458	201	19	ND	5/16/2002
SWRP #4		In Pond	0.14*	0.004	469	193	18.8	ND	5/16/2002
Beaver Pond upstream			0.089	<0.003	329	111	13.8	ND	4/11/2002
of SWRP #5			0.128	<0.003	358	122	14.7	ND	5/9/2002
			0.13	<0.003	392	132	15.7	ND	5/16/2002
SWRP #5		In Pond	0.025	0.003	181	51.9	9.1	ND	4/11/2002
		Overflow	0.065	<0.003	200	68.8	10.3	ND	5/16/2002
ND No Data									
* Selenium data is an estimate due to matrix interferences									

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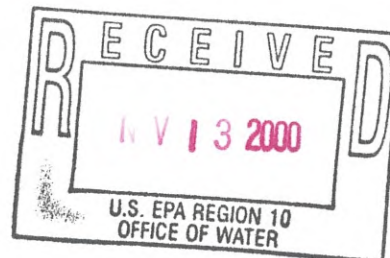
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Davis Graham & Stubbs LLP

November 9, 2000

Ms. Misha Vakoc
EPA Region 10 Storm Water Contact
USEPA
1200 6th Ave. (OW-130)
Seattle, Washington 98101



Re: Rasmussen Ridge Mine Storm Water Inspection

Dear Misha:

I am writing concerning a variety of issues relating to the storm water permitting of Nu-West Industries, Inc.'s Rasmussen Ridge Mine near Soda Springs, Idaho. I spoke with you on the telephone in mid-September concerning issues which arose from Region 10's storm water inspection of Nu-West's Rasmussen Ridge Mine on August 17, 2000, and the remainder of the issues discussed below were raised by EPA's issuance of the Final 2000 Multi-Sector General Permit (Final 2000 MSGP) last week.

Clarification of Erroneous Information

Of those issues raised by the August 17th inspection, several have been resolved by issuance of the Final 2000 MSGP. The primary concern I had following the August 17th inspection was erroneous information provided to Nu-West by the Region 10 inspectors, Dave Tompten and Joe Wallace. First, at the time of the inspection, Messrs. Tompten and Wallace informed Nu-West that it was required to submit an NOI to obtain continued coverage under the 1995 MSGP before the end of September. In our telephone conversations, you confirmed that this was incorrect, that facilities covered by the 1995 MSGP would continue to be covered under the 1995 MSGP until after the final 2000 MSGP was issued. Your confirmation was consistent with the 1995 MSGP, the proposed 2000 MSGP, EPA's industrial storm water web page, and with the Final 2000 MSGP.

Second, Messrs. Wallace and Tompten also informed Nu-West during the course of the August 17th inspection that Nu-West was required to perform analytical monitoring at the Rasmussen Ridge Mine under the 1995 MSGP, and to submit the sampling results to EPA. In our telephone conversations, you confirmed that this information was also incorrect and that phosphate mining operations in fact are not required to perform analytical monitoring under the 1995 MSGP. The Final 2000 MSGP is even more clear that phosphate mining operations are not required to conduct analytical monitoring. See Final 2000 MSGP, 65 Fed. Reg. 64746 at 64751; 64816-17 (Oct. 30, 2000). Phosphate mines fall under Sector J of the 1995 MSGP, which covers mineral mining and dressing operations. The mining operations covered by Sector J are divided

Susan J. Geer • 303 892 7367 • susan.geer@dgsllaw.com

Ms. Misha Vakoc
November 9, 2000
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into four subsectors, the first two of which are required to conduct analytical monitoring, and the second two of which are not required to conduct analytical monitoring. Phosphate mines are SIC code 1475, which places them into the fourth subsector, and thus are not required to conduct analytical monitoring. Please contact me immediately if you believe that phosphate mining operations are in fact required to conduct analytical monitoring, and required to submit the monitoring results to EPA.

Issuance of Multiple Permit Numbers

Also during the course of the August 17th storm water inspection, Messrs. Wallace and Tompten informed Nu-West that there were multiple storm water permits on file for the Rasmussen Ridge Mine. This is apparently due to the fact that the Storm Water Notice of Intent Center had issued additional permits in response to Nu-West's attempts to amend the information provided in its original NOI for coverage under the 1995 MSGP. You confirmed that Nu-West did in fact nominally have multiple storm water permits for this site according to EPA's records. You advised me to have Nu-West send a letter to the NOI Center to remedy the situation, and in the future to avoid submitting NOI forms to amend forms previously submitted. Nu-West has sent a letter to the NOI Center to that effect, indicating that there should be only one MSGP for this site, on which you were copied. Please contact me if you did not receive a copy of that letter, and I will provide one to you. Nu-West requested a response from the NOI Center indicating which of the three issued permit numbers was retained, for use on its NOI for coverage under the Final 2000 MSGP.

Note that the Final 2000 MSGP requires permittees to submit an amended NOI form to achieve a "simple name change," the procedure Nu-West followed to modify information provided. See Final 2000 MSGP, § 11.1.2. Since this procedure has caused confusion and duplicative efforts, I would request that the NOI Center be instructed not to issue new permit numbers in response to NOIs submitted for purposes only of modifying information on the NOI.

Construction Permit NOI

Late last spring, Region 10's storm water inspectors also paid pre-inspection visits to the southeastern Idaho phosphate mine operators, including Nu-West. Among other things, the inspectors at that time informed the operators of EPA's position that mining operations are required to obtain coverage under a storm water construction permit in addition to obtaining coverage under an industrial permit. I and Nu-West strongly disagreed with that position. Nevertheless, based on those comments, and on language in EPA's proposed 2000 Multi-Sector General Permit, Nu-West submitted an NOI for coverage under EPA's general storm water permit for construction activities on July 17, 2000. Nu-West submitted the construction permit NOI under protest. I have enclosed a copy of the protest letter and the July 17 NOI for your reference.

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In early September, Nu-West received a form letter from the EPA Storm Water Notice of Intent Center requesting that Nu-West provide further information for its construction permit NOI. Specifically, the NOI Center requested that Nu-West provide the following information: project start date, end date, acres disturbed and likelihood of discharge. Nu-West had provided this information in its original NOI to the best of its ability, but presumably due to the fact that the NOI form is designed for construction projects, and not mining operations, the information provided apparently was unacceptable to EPA (the form letter failed to include any explanation as to why the information provided was not acceptable).

Based on my telephone conversations with you in mid-September, we elected to wait until the Final 2000 MSGP was issued to respond to the NOI Center's request for information. We elected to wait to see if the Final 2000 MSGP would further clarify whether Sector J operations would be required to obtain separate coverage under the general construction permit, and if so, for further guidance on the requirement. As you know, the Final 2000 MSGP does expressly require Sector J industries to obtain coverage under a construction storm water permit but limits that coverage and requirement to only areas engaged in the initial phase of mining, which EPA has labeled the "exploration and construction" phase. Based upon this clarification and the description of the "exploration and construction" phase provided in the Final 2000 MSGP, it appears clear that Nu-West need obtain construction permit coverage only for activities falling within that description, and that neither on-going mining activities nor reclamation activities require such coverage. If this understanding is incorrect in any way, please notify me immediately.

EPA's delineation of the three phases of mining should enable Nu-West to more easily and accurately revise the information provided in its construction permit NOI for start date, end date, and acres to be disturbed. Currently, there is only one area of the Rasmussen Ridge Mine site that falls into the "exploration and construction" phase category; development of the North Rasmussen Ridge area. As such, Nu-West will submit revised information to the NOI Center for coverage under the general construction permit for this area only. One item continues to be of concern, however, and that is the "estimated likelihood of discharge" portion of the form. The form requires the operator to select among limited choices, none of which accurately describe conditions at the North Rasmussen Ridge area. As I described to you in our telephone conversations in September, for nine to ten months of the year, there is no storm water discharge from the Mine due to arid and/or frozen conditions. During spring runoff, however, some discharge may occur. Based upon my explanation, you advised me to respond to the "estimated likelihood of discharge" request for additional information by selecting "once per month" as the estimated likelihood of discharge.

Finally, I have enclosed with this letter a copy of the "protest letter" and construction permit NOI that Nu-West submitted to the NOI Center on July 17, 2000, as well as copies of two

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amended NOIs for the 1995 MSGP with cover letters, one of which is dated April 25, 2000, and the second of which is dated July 6, 2000.

Misha, I appreciate your assistance in these matters. If my understanding on any of these matters is incorrect in any way, please notify me immediately. Unless I hear otherwise, I will assume that this letter accurately reflects EPA's position on the storm water permitting issues discussed within. Please do not hesitate to call me if you have any questions or wish to discuss any of these matters further.

Sincerely,



Susan J. Geer

SJG/amg

Encs.

cc w/ encs: Don LaRue-Nu-West
Monty Johnson-Nu-West
Rob Squires-Nu-West
Joe Wallace-EPA
Dave Tompten-EPA